UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One):

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended March 31, 2018

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from __________ to __________

Commission File Number: 001-35975

Gogo Inc.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of Incorporation or Organization)**	**27-1650905** **(I.R.S. Employer Identification No.)**

111 North Canal St., Suite 1500
Chicago, IL 60606
(Address of principal executive offices)

Telephone Number (312) 517-5000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐ (Do not check if smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 30, 2018, 87,004,342 shares of $0.0001 par value common stock were outstanding.

Gogo Inc.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Gogo Inc. and Subsidiaries
Unaudited Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	March 31, 2018	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 117,039	$ 196,356
Short-term investments	182,633	212,792
Total cash, cash equivalents and short-term investments	299,672	409,148
Accounts receivable, net of allowances of $547 and $587, respectively	131,738	117,896
Inventories	168,782	45,543
Prepaid expenses and other current assets	28,638	20,310
Total current assets	628,830	592,897
Non-current assets:		
Property and equipment, net	530,687	656,038
Goodwill and intangible assets, net	84,498	87,133
Other non-current assets	56,127	67,107
Total non-current assets	671,312	810,278
Total assets	$ 1,300,142	$ 1,403,175
Liabilities and Stockholders' deficit		
Current liabilities:		
Accounts payable	$ 42,149	$ 27,130
Accrued liabilities	163,521	201,815
Deferred revenue	36,227	43,448
Deferred airborne lease incentives	29,472	42,096
Current portion of capital leases	1,468	1,789
Total current liabilities	272,837	316,278
Non-current liabilities:		
Long-term debt	1,006,442	1,000,868
Deferred airborne lease incentives	124,653	142,938
Other non-current liabilities	87,546	134,655
Total non-current liabilities	1,218,641	1,278,461
Total liabilities	1,491,478	1,594,739
Commitments and contingencies (Note 12)	—	—
Stockholders' deficit		
Common stock, par value $0.0001 per share; 500,000,000 shares authorized at March 31, 2018 and December 31, 2017; 87,207,013 and 87,062,578 shares issued at March 31, 2018 and December 31, 2017, respectively; and 87,007,075 and 86,843,928 shares outstanding at March 31, 2018 and December 31, 2017, respectively	9	9
Additional paid-in-capital	903,045	898,729
Accumulated other comprehensive loss	(1,767)	(933)
Accumulated deficit	(1,092,623)	(1,089,369)
Total stockholders' deficit	(191,336)	(191,564)
Total liabilities and stockholders' deficit	$ 1,300,142	$ 1,403,175

See the Notes to Unaudited Condensed Consolidated Financial Statements

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Gogo Inc. and Subsidiaries
Unaudited Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)

	For the Three Months Ended March 31,	
	2018	2017
Revenue:		
Service revenue	$150,678	$146,495
Equipment revenue	81,147	18,911
Total revenue	231,825	165,406
Operating expenses:		
Cost of service revenue (exclusive of items shown below)	74,947	64,813
Cost of equipment revenue (exclusive of items shown below)	52,293	11,648
Engineering, design and development	29,777	36,264
Sales and marketing	15,901	14,395
General and administrative	25,159	22,549
Depreciation and amortization	35,919	30,435
Total operating expenses	233,996	180,104
Operating loss	(2,171)	(14,698)
Other (income) expense:		
Interest income	(1,076)	(545)
Interest expense	30,554	26,943
Other (income) expense	(505)	38
Total other expense	28,973	26,436
Loss before income taxes	(31,144)	(41,134)
Income tax provision (benefit)	(3,725)	233
Net loss	$ (27,419)	$ (41,367)
Net loss attributable to common stock per share—basic and diluted	$ (0.34)	$ (0.52)
Weighted average number of shares—basic and diluted	79,696	79,139

See the Notes to Unaudited Condensed Consolidated Financial Statements

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Gogo Inc. and Subsidiaries
Unaudited Condensed Consolidated Statements of Comprehensive Loss
(in thousands)

	For the Three Months Ended March 31,	
	2018	2017
Net loss	$(27,419)	$(41,367)
Currency translation adjustments	(834)	226
Comprehensive loss	$(28,253)	$(41,141)

See the Notes to Unaudited Condensed Consolidated Financial Statements

Gogo Inc. and Subsidiaries
Unaudited Condensed Consolidated Statements of Cash Flows
(in thousands)

	For the Three Months Ended March 31, 2018	For the Three Months Ended March 31, 2017
Operating activities:		
Net loss	$ (27,419)	$ (41,367)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation and amortization	35,919	30,435
Loss on asset disposals, abandonments and write-downs	1,687	2,165
Gain on transition to airline-directed model	(19,302)	—
Deferred income taxes	(3,863)	317
Stock-based compensation expense	4,386	4,330
Amortization of deferred financing costs	1,035	896
Accretion and amortization of debt discount and premium	4,539	4,508
Changes in operating assets and liabilities:		
Accounts receivable	(14,046)	(2,872)
Inventories	(12,304)	(969)
Prepaid expenses and other current assets	(896)	8,296
Accounts payable	11,755	1,094
Accrued liabilities	(6,787)	(5,626)
Deferred airborne lease incentives	(1,834)	3,559
Deferred revenue	5,440	2,586
Accrued interest	(24,955)	(20,867)
Other non-current assets and liabilities	440	(532)
Net cash used in operating activities	(46,205)	(14,047)
Investing activities:		
Purchases of property and equipment	(56,886)	(63,655)
Acquisition of intangible assets—capitalized software	(5,772)	(7,953)
Purchases of short-term investments	(39,323)	(109,439)
Redemptions of short-term investments	69,482	114,641
Net cash used in investing activities	(32,499)	(66,406)
Financing activities:		
Proceeds from the issuance of senior secured notes	—	70,200
Payment of issuance costs	—	(1,120)
Payments on capital leases	(618)	(697)
Stock-based compensation activity	(70)	555
Net cash provided by (used in) financing activities	(688)	68,938
Effect of exchange rate changes on cash	75	142
Decrease in cash, cash equivalents and restricted cash	(79,317)	(11,373)
Cash, cash equivalents and restricted cash at beginning of period	203,729	125,189
Cash, cash equivalents and restricted cash at end of period	$124,412	$ 113,816
Cash, cash equivalents and restricted cash at end of period	$124,412	$ 113,816
Less: current restricted cash	738	614
Less: non-current restricted cash	6,635	7,273
Cash and cash equivalents at end of period	$117,039	$ 105,929
Supplemental Cash Flow Information:		
Cash paid for interest	$ 49,911	$ 42,698
Cash paid for taxes	15	9
Noncash Investing and Financing Activities:		
Purchases of property and equipment in current liabilities	$ 23,325	$ 49,043
Purchases of property and equipment paid by commercial airlines	2,060	3,408
Purchases of property and equipment under capital leases	—	1,155
Acquisition of intangible assets in current liabilities	653	1,534
Asset retirement obligation incurred and adjustments	4	425

See the Notes to Unaudited Condensed Consolidated Financial Statements

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements

1. Basis of Presentation

The Business - Gogo ("we", "us", "our") is the global leader in providing broadband connectivity solutions and wireless in-flight entertainment to the aviation industry. We operate through the following three segments: Commercial Aviation North America, or "CA-NA," Commercial Aviation Rest of World, or "CA-ROW," and Business Aviation, or "BA." Services provided by our CA-NA and CA-ROW businesses include Passenger Connectivity, which allows passengers to connect to the Internet from their personal Wi-Fi-enabled devices; Passenger Entertainment, which offers passengers the opportunity to enjoy a broad selection of in-flight entertainment options on their personal Wi-Fi enabled devices; and Connected Aircraft Services ("CAS"), which offers airlines connectivity for various operations and currently include, among others, real-time credit card transaction processing, electronic flight bags and real-time weather information. Services are provided by CA-NA on commercial aircraft flying routes that generally begin and end within North America, which for this purpose includes the United States, Canada and Mexico. CA-ROW provides service on commercial aircraft operated by foreign-based commercial airlines and flights outside of North America for North American based commercial airlines. The routes included in our CA-ROW segment are those that begin and/or end outside of North America (as defined above) on which our international service is provided. BA provides in-flight Internet connectivity and other voice and data communications products and services and sells equipment for in-flight telecommunications to the business aviation market. BA services include Gogo Biz, our in-flight broadband service, Passenger Entertainment, our in-flight entertainment service, and satellite-based voice and data services through our strategic alliances with satellite companies.

Basis of Presentation - The accompanying unaudited condensed consolidated financial statements and notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in conformity with Article 10 of Regulation S-X promulgated under the Securities Act of 1933, as amended (the "Securities Act"). Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements and should be read in conjunction with our annual audited consolidated financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission ("SEC") on February 22, 2018 (the "2017 10-K"). These unaudited condensed consolidated financial statements reflect, in the opinion of management, all material adjustments (which include normal recurring adjustments) necessary to fairly state, in all material respects, our financial position, results of operations and cash flows for the periods presented.

The results of operations and cash flows for the three month period ended March 31, 2018 are not necessarily indicative of the results that may be expected for the fiscal year ending December 31, 2018.

We have one class of common stock outstanding as of March 31, 2018 and December 31, 2017.

Reclassifications - To conform with the current year presentation, certain amounts in our unaudited condensed consolidated statement of cash flows for the three month period ended March 31, 2017 have been reclassified. Specifically, accrued airline revenue share of $918 thousand and current deferred rent of $11 thousand have been combined with accrued liabilities and non-current deferred rent of $359 thousand has been combined with other non-current assets and liabilities.

Transition to airline-directed model - The accounting treatment for one of our airline agreements transitioned from our turnkey model to our airline-directed model in January 2018 due to specific provisions elected by the airline that resulted in the transfer of control of the previously installed connectivity equipment. Upon transition to the airline-directed model, the net book value of all previously delivered equipment classified within property and equipment was reclassified to cost of equipment revenue. Additionally, the unamortized proceeds previously received for equipment and classified within current and non-current deferred airborne lease incentives were eliminated and included as part of estimated contract value, which was then allocated amongst the various performance obligations under the agreement. The value allocated to previously delivered equipment was immediately recognized as equipment revenue in our unaudited condensed consolidated financial statements; refer to Note 3, "Revenue Recognition," for additional disclosures relating to the allocation of consideration among identified performance obligations. For amounts recognized in equipment revenue that were in excess of the amounts billed, we recorded current and non-current contract assets included within prepaid expenses and other current assets and other non-current assets, respectively; refer to Note 3, "Revenue Recognition," for additional details. In connection with the airline's transition to the airline-directed model, we also established warranty reserves related to previously sold equipment that are still under a warranty period, which is included within accrued liabilities. See Note 8, "Warranties," for additional information. This transition from the turnkey model to the

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

airline-directed model occurred on January 4, 2018 and the total financial statement effect on our unaudited condensed consolidated balance sheet and unaudited condensed consolidated statement of operations was as follows (*in thousands*):

	Increase (decrease)
Unaudited condensed consolidated balance sheet	
Prepaid expense and other current assets	$ 6,603
Property and equipment, net	(34,965)
Other non-current assets	18,783
Accrued liabilities	2,000
Current deferred airborne lease incentive	(13,592)
Non-current deferred airborne lease incentive	(17,289)
Unaudited condensed consolidated statement of operations	
Equipment revenue	45,396
Cost of equipment revenue	26,094

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates the significant estimates and bases such estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. However, actual results could differ materially from those estimates.

Under agreements with certain of our airline partners to upgrade our equipment on certain aircraft or decommission certain aircraft on which our equipment is installed, on a quarterly basis we reassess the useful life of the affected equipment. As a result, we shorten the useful lives of the affected equipment to be consistent with the estimated upgrade date or aircraft decommissioning date, as applicable. We also shorten the related remaining amortization period for deferred airborne lease incentives for certain equipment on aircraft to be decommissioned. The change in estimated useful lives related to these events resulted in increases in depreciation expense of $4.3 million in the three months ended March 31, 2018 and increases in the amortization of deferred airborne lease incentives, which reduced our cost of service revenue of $1.0 million in the three months ended March 31, 2018. As a result, net loss per basic and fully diluted share increased by $0.04 for the three month period ended March 31, 2018.

2. Recent Accounting Pronouncements

Revenue recognition related new pronouncements:

On January 1, 2018, we adopted Accounting Standards Codification Topic 606, *Revenue From Contracts With Customers* (“ASC 606”) using the modified retrospective method. As a result, we recognized the cumulative effect of initially applying ASC 606 as an adjustment to the opening balance of retained earnings as of January 1, 2018. Our historical financial statements have not been restated and continue to be reported under the revenue accounting standard in effect for those periods.

Prior to the adoption of ASC 606, equipment revenue (and related cost) under some of our CA-NA and CA-ROW segment contracts was deferred and recognized over the life of the contract as the equipment and connectivity services did not meet the requirements to be treated as separate units of accounting. Under ASC 606, these same equipment transactions qualify as standalone performance obligations and, therefore, equipment revenue (and related cost) is recognized upon acceptance by our airline customers. Adoption of the new standard did not materially affect the amount or timing of equipment revenue recognized from our BA segment. Our service revenue across all segments continues to be recognized as the services are provided to customers.

In conjunction with the adoption of ASC 606, we also adopted Accounting Standard Codification Subtopic 340-40, *Other Assets and Deferred Costs – Contracts with Customers* (“ASC 340-40”), which requires the capitalization of costs incurred to obtain or fulfill a contract with a customer. Prior to the adoption of ASC 340-40, we expensed all fulfillment and other costs associated with airline-directed contracts, which were comprised predominantly of costs incurred to obtain supplemental type certificates (“STCs”); these costs are now required to be capitalized and

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

amortized to expense over the life of the contract (and are included within engineering, design and development in our unaudited condensed consolidated financial statements). Costs associated with our turnkey contracts are not eligible for capitalization under ASC 340-40 and will continue to be expensed as incurred.

The cumulative effect of the adoption of ASC 606 and ASC 340-40 to our unaudited condensed consolidated balance sheet as of January 1, 2018 was as follows (*in thousands)*:

	Balance at December 31, 2017	Adjustments	Balance at January 1, 2018
Assets			
Inventories	$ 45,543	$ 974	$ 46,517
Prepaid expenses and other current assets	20,310	603	20,913
Property and equipment, net	656,038	(2,966)	653,072
Other non-current assets	67,107	(30,006)	37,101
Liabilities			
Current deferred revenue	43,448	(7,182)	36,266
Other non-current liabilities	134,655	(48,378)	86,277
Equity			
Accumulated deficit	(1,089,369)	24,165	(1,065,204)

See Note 3, “Revenue Recognition,” for additional information.

On January 1, 2018, we adopted ASU 2016-04, *Recognition of Breakage for Certain Prepaid Stored-Value Products* (“ASU 2016-04”), which amends the guidance on extinguishing financial liabilities for certain prepaid stored-value products by requiring that entities that sell prepaid stored-value products recognize breakage proportionally as the prepaid stored-value product is being redeemed rather than immediately upon sale of the product. Adoption of this standard did not have a material impact on our consolidated financial statements.

All other new pronouncements:

In March 2016, the Financial Accounting Standards Board (“FASB”) issued ASU 2016-02, *Leases* (“ASU 2016-02”), which introduces a lessee model that records most leases on the balance sheet. ASU 2016-02 also aligns certain underlying principles of the new lessor model with those in ASC 606, the FASB’s new revenue recognition standard. Furthermore, ASU 2016-02 eliminates the required use of bright-line tests used in current GAAP for determining lease classification. It also requires lessors to provide additional transparency into their exposure to the changes in value of their residual assets and how they manage that exposure. ASU 2016-02 is effective for annual reporting periods beginning after December 15, 2018, including interim periods within those annual reporting periods. We will adopt this as guidance as of January 1, 2019, and we are currently evaluating the impact of the adoption of this guidance on our consolidated financial statements.

On January 1, 2018, we adopted ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments* (“ASU 2016-15”), which amends ASC 230, *Statement of Cash Flows*, the FASB’s standard for reporting cash flows in general-purpose financial statements. The amendment addresses the diversity in practice related to the classification of certain cash receipts and payments including debt prepayment or debt extinguishment costs. We adopted this guidance using the full retrospective method, which did not have a material impact on our consolidated financial statements as we have historically reported debt prepayment and debt extinguishment costs in a manner consistent with ASU 2016-15.

On January 1, 2018, we adopted ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory* (“ASU 2016-16”), which removes the prohibition in ASC 740, *Income Taxes*, against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. This is intended to reduce the complexity of GAAP and diversity in practice related to the tax consequences of certain types of intra-entity asset transfers, particularly those involving intellectual property. Adoption of this standard did not have a material impact on our consolidated financial statements.

On January 1, 2018, we adopted ASU 2016-18, *Restricted Cash – A Consensus of the FASB Emerging Issues Task Force*, (“ASU 2016-18”), which amends ASC 230, *Statement of Cash Flows*, to clarify guidance on the classification and presentation of restricted cash in the statement of cash flows using the full retrospective method.

Adoption of this standard did not have a material impact on our consolidated financial statements. See our unaudited condensed consolidated statements of cash flows for the reconciliation of cash presented in the statements of cash flows to the cash presented on the balance sheet.

On January 1, 2018, we adopted ASU 2017-09, *Scope of Modification Accounting* ("ASU 2017-09"), which amends the scope of modification accounting for share-based payment arrangements. The ASU provides guidance on the types of changes to the terms or conditions of share-based payment awards to which an entity would be required to apply modification accounting under ASC 718, *Compensation – Stock Compensation*. Specifically, an entity would not apply modification accounting if the fair value, vesting conditions, and classification of the awards are the same immediately before and after the modification. Adoption of this standard did not have a material impact on our consolidated financial statements.

In February 2018, the FASB issued ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income* ("ASU 2018-02"), which permits entities to reclassify tax effects stranded in accumulated other comprehensive income as a result of tax reform to retained earnings. Companies that elect to reclassify these amounts must reclassify stranded tax effects for all items accounted for in accumulated other comprehensive income. ASU 2018-02 is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. We are currently assessing the impact of ASU 2018-02 on our consolidated financial statements and related disclosures.

3. Revenue Recognition

Our revenue is primarily earned from providing connectivity and entertainment services and through sales of equipment. Additionally, to a lesser extent, we earn revenue from providing ancillary services, including installation and Connected Aircraft Services ("CAS").

We determine revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue as we satisfy the performance obligations

For CA-NA and CA-ROW, pursuant to contractual agreements with our airline partners, we place our equipment on commercial aircraft operated by the airlines in order to deliver our service to passengers on the aircraft. We currently have two types of commercial airline arrangements: turnkey and airline-directed. Under the airline-directed model, we have transferred control of the equipment to the airline and therefore the airline is our customer in these transactions. Under the turnkey model, we have not transferred control of our equipment to our airline partner and, as a result, the airline passenger is deemed to be our customer. Transactions with our airline partners under the turnkey model are accounted for as an operating lease of space on an aircraft. See Note 11, "Leases," for additional information on the turnkey model.

<u>CA-NA and CA-ROW Service Revenue</u>:

CA-NA and CA-ROW revenue consists of service revenue primarily derived from connectivity services, and, to a lesser extent, from entertainment services and CAS. Connectivity is provided to our customers using both our ATG and satellite technologies.

Airline-directed connectivity revenue:

As noted above, under the airline-directed model, the airline is our customer and we earn service revenue as connectivity services are consumed directly by the airline or indirectly by passengers.

Turnkey connectivity revenue (passenger connectivity):

Under the turnkey model, passenger connectivity revenue is generated by services paid for by passengers, airlines and third parties.

Passenger paid revenue represents point-of-sale sessions (which may be flight-based, time-based, multiple individual session packages ("multi-pack") and subscriptions). Flight-based, time-based and multi-pack revenue is recognized when the sessions are used. Subscription revenue is recognized evenly throughout the subscription period, regardless of the number of times the customer uses the network.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Third party and airline paid revenue is generated by sales of connectivity services to airlines or third parties in sponsorship, wholesale, enterprise and roaming arrangements. Sponsorship revenue is recognized over the sponsorship term. Revenue from wholesale, enterprise and roaming arrangements is recognized as sessions are used by the passenger.

Entertainment revenue:

Entertainment revenue consists of entertainment services we provide to the airline for use by its passengers. Revenue is recognized as the services are provided to the airline.

CAS:

CAS includes, among other things, real-time credit card transaction processing, electronic flight bags and real-time weather information. Revenue is recognized as the service is provided.

BA Service Revenue:

BA service revenue primarily consists of monthly subscription and usage fees paid by aircraft owners and operators for telecommunication, data, and in-flight entertainment services. Revenue is recognized as the services are provided to the customer.

Equipment Revenue:

Equipment revenue primarily consists of the sale of ATG and satellite connectivity equipment and the sale of entertainment equipment. CA-NA and CA-ROW recognize equipment revenue upon acceptance by our airline customers. BA recognizes equipment revenue when the equipment is shipped to OEMs and dealers.

Equipment revenue also includes revenue generated by the installation of the connectivity or entertainment equipment on commercial aircraft, which is recognized when the installation is complete.

Contract price and allocation considerations:

Our CA-NA and CA-ROW airline-directed contracts contain multiple performance obligations, which primarily include the sale of equipment, installation services, connectivity services and entertainment services. For these contracts, we account for each distinct good or service as a separate performance obligation. We allocate the contract's transaction price to each performance obligation using the relative standalone selling price, which is based on the actual selling price for any good or service sold separately to a similar class of customer, if available. To the extent a good or service is not sold separately, we use our best estimate of the standalone selling price and maximize the use of observable inputs. The primary method we use to estimate the standalone selling price is the expected cost-plus margin approach.

The contractual consideration used for allocation purposes includes connectivity and entertainment services, which may be based on a fixed monthly fee per aircraft or a variable fee based on the volume of connectivity activity, or a combination of both. Examples of variable consideration within our contracts include megabyte overages and pay-per-use sessions. We constrain our estimates to reduce the probability of a significant revenue reversal in future periods, allocate such variable consideration to the identified performance obligations and recognize revenue in the period the services are provided. Our estimates are based on historical experience, anticipated future performance, market conditions and our best judgment at the time.

A significant change in one or more of these estimates could affect our estimated contract value, and we regularly review and update our estimates and recognize adjustments under the cumulative catch-up method. Any adjustment under this method is recorded as a cumulative adjustment in the period identified and revenue for future periods is recognized using the new adjusted estimate.

As of March 31, 2018, the aggregate amount of the transaction price in our contracts allocated to the remaining unsatisfied performance obligations is approximately $895 million, most of which relates to our commercial aviation contracts. Approximately $145 million represents future equipment revenue that is expected to be recognized within the next 1-3 years. The remaining $750 million primarily represents connectivity and entertainment service revenues which are recognized as services are provided, which is expected to occur through the remaining term of the contract (approximately 5-10 years). We have excluded from this amount: all variable consideration derived from our connectivity or entertainment services that is allocated entirely to our performance of obligations related to such services; consideration from contracts that have an original duration of one year or less; revenue from passenger service on airlines operating under the turnkey model; and revenue from contracts that have been executed but under which have not yet met the accounting definition of a contract since the airline has not yet determined which products in our portfolio it wishes to select, and, as a result we are unable to determine which products and services will be transferred to the customer.

Disaggregation of revenue

The following table presents our revenue disaggregated by category for the three-month period ended March 31, 2018 *(in thousands)*:

	For the Three Months Ended March 31, 2018			
	CA-NA	CA-ROW	BA	Total
Service revenue				
Connectivity	$ 82,040	$ 13,649	$47,392	$143,081
Entertainment, CAS and other	6,743	596	258	7,597
Total service revenue	$ 88,783	$ 14,245	$47,650	$150,678
Equipment revenue				
ATG *(1)*	$ 44,762	$ —	$15,421	$ 60,183
Satellite *(1)*	10,276	4,924	4,258	19,458
Other	—	—	1,506	1,506
Total equipment revenue	$ 55,038	$ 4,924	$21,185	$ 81,147
Customer type				
Airline passenger and aircraft owner/operator	$ 52,924	$ 4,729	$47,650	$105,303
Airline, OEM and aftermarket dealer *(2)*	77,426	12,694	21,185	111,305
Third party	13,471	1,746	—	15,217
Total revenue	$143,821	$ 19,169	$68,835	$231,825

1) ATG and satellite equipment revenue for the CA-NA segment includes the $45.4 million related to the accounting impact of the transition of one of our airline partners to the airline-directed model. Approximately $43.4 million was included in ATG equipment revenue and approximately $2.0 million was included in satellite equipment revenue.

2) Airline, OEM and aftermarket dealer revenue includes all equipment revenue for our three segments, including the $45.4 million accounting impact of the transition of one of our airlines partners to the airline-directed model.

Contract balances

Our current and non-current deferred revenue balances totaled $66.5 million and $61.1 million as of March 31, 2018, and January 1, 2018, respectively. Deferred revenue includes, among other things, equipment, multi-packs, subscriptions and sponsorships activities.

Our current and non-current contract asset balances totaled $27.7 million and $5.1 million as of March 31, 2018 and January 1, 2018, respectively. Contract assets represents the aggregate amount of revenue recognized in excess of billings for our airline-directed contracts.

Our STC balances were $8.4 million and $7.6 million as of March 31, 2018, and January 1, 2018, respectively. We recognized $0.2 million of deferred STC costs as part of our engineering, design and development costs in our unaudited condensed consolidated statement of operations during the three month period ended March 31, 2018. As noted above, STC costs for our airline-directed contracts are capitalized and expensed on a straight-line basis over the life of the contract.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Impact of adoption of ASC 606

The following table presents the post adoption impact of ASC 606 on our unaudited condensed consolidated balance sheet and the statement of operations *(in thousands)*:

	As of March 31, 2018		
	As Reported	Impact of ASC 606	Balances Without Adoption of ASC 606
Assets			
Prepaid expenses and other current assets	$ 28,638	$ (458)	$ 28,180
Other non-current assets	56,127	73,664	129,791
Liabilities			
Current deferred revenue	36,227	20,086	56,313
Other non-current liabilities	87,546	85,252	172,798
Equity			
Accumulated deficit	(1,092,623)	(24,165)	(1,116,788)

	For the Three Month Period Ended March 31, 2018		
	As Reported	Impact of ASC 606	Balances Without Adoption of ASC 606
Revenue:			
Service revenue	$ 150,678	$ 4,392	$ 155,070
Equipment revenue	81,147	(50,658)	30,489
Operating expenses:			
Cost of equipment revenue	52,293	(39,150)	13,143
Engineering, design and development	29,777	851	30,628
Net loss	(27,419)	(7,967)	(35,386)

4. Net Loss Per Share

Basic and diluted net loss per share have been calculated using the weighted average number of common shares outstanding for the period. The shares of common stock effectively repurchased in connection with the Forward Transactions (as defined and described in Note 9, “Long-Term Debt and Other Liabilities”) are considered participating securities requiring the two-class method to calculate basic and diluted earnings per share. Net earnings in future periods will be allocated between common shares and participating securities. In periods of a net loss, the shares associated with the Forward Transactions will not receive an allocation of losses, as the counterparties to the Forward Transactions are not required to fund losses. Accordingly, the calculation of weighted average shares outstanding as of March 31, 2018 and 2017 excludes approximately 7.2 million shares that will be repurchased as a result of the Forward Transactions.

As a result of the net loss for the three month periods ended March 31, 2018 and 2017, all of the outstanding shares of common stock underlying stock options, deferred stock units and restricted stock units were excluded from the computation of diluted shares outstanding because they were anti-dilutive.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

The following table sets forth the computation of basic and diluted earnings per share for the three month periods ended March 31, 2018 and 2017; however, because of the undistributed losses, the shares of common stock associated with the Forward Transactions are excluded from the computation of basic earnings per share in 2018 and 2017 as undistributed losses are not allocated to these shares (*in thousands, except per share amounts*):

	For the Three Months Ended March 31,	
	2018	2017
Net loss	$(27,419)	$(41,367)
Less: Participation rights of the Forward Transactions	—	—
Undistributed losses	$(27,419)	$(41,367)
Weighted-average common shares outstanding-basic and diluted	79,696	79,139
Net loss attributable to common stock per share-basic and diluted	$ (0.34)	$ (0.52)

5. Inventories

Inventories consist primarily of telecommunications systems and parts, and are recorded at the lower of cost (average cost) or market. We evaluate the need for write-downs associated with obsolete, slow-moving, and nonsalable inventory by reviewing net realizable inventory values on a periodic basis.

Inventories as of March 31, 2018 and December 31, 2017 were as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Work-in-process component parts	$ 32,458	$ 35,009
Finished goods *(1)*	136,324	10,534
Total inventory	$168,782	$ 45,543

(1) The increase in our inventories is primarily due to the allocation of a portion of our uninstalled airborne equipment (*i.e.*, shipsets designated for installation under an airline-directed contract) within our CA-NA and CA-ROW segments from property and equipment, net, to inventories. Historically, all uninstalled airborne equipment for the CA-NA and CA-ROW segments was classified as property and equipment, net, as the majority of our installations were performed under our turnkey model agreements. See Note 11, "Leases" for additional information on the turnkey model treatment. As our uninstalled airborne equipment is increasingly being deployed under airline-directed model agreements, we now allocate our uninstalled airborne equipment between property and equipment, net, and inventories, based on our forecasts of estimated future installations by contract type.

6. Composition of Certain Balance Sheet Accounts

Property and equipment as of March 31, 2018 and December 31, 2017 were as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Office equipment, furniture, fixtures and other	$ 47,849	$ 46,445
Leasehold improvements	43,417	42,522
Airborne equipment *(1) (2)*	591,297	765,652
Network equipment	200,140	199,304
	882,703	1,053,923
Accumulated depreciation *(1)*	(352,016)	(397,885)
Property and equipment, net	$ 530,687	$ 656,038

(1) Changes between March 31, 2018 and December 31, 2017 relate to the accounting impact of the transition of one of our airline partner agreements to the airline-directed model (see Note 1, "Basis of Presentation," for additional information) and the adoption of ASC 606 (see Note 2, "New Accounting Pronouncements," for additional information).

(2) Changes between March 31, 2018 and December 31, 2017 also relates to the allocation of uninstalled airborne equipment to inventory (see Note 5, "Inventories," for additional information).

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Other non-current assets as of March 31, 2018 and December 31, 2017 were as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Contract Assets *(1)*	$ 21,502	$ —
Deferred STC costs *(1)*	8,411	—
Deferred cost of equipment revenue *(1)*	—	40,986
Restricted cash	6,635	6,873
Other	19,579	19,248
Total other non-current assets	$ 56,127	$ 67,107

(1) Changes between March 31, 2018 and December 31, 2017 are primarily due to the adoption of ASC 606. See Note 2, "New Accounting Pronouncements," for additional information.

Accrued liabilities as of March 31, 2018 and December 31, 2017 were as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Employee compensation and benefits	$ 16,865	$ 25,621
Airborne equipment and installation costs	24,551	44,059
Airline related accrued liabilities	17,146	13,566
Accrued interest	22,694	47,649
Accrued revenue share	12,768	17,339
Other	69,497	53,581
Total accrued liabilities	$163,521	$ 201,815

Other non-current liabilities as of March 31, 2018 and December 31, 2017 were as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Deferred revenue *(1)*	$ 30,293	$ 73,192
Deferred rent	37,152	37,354
Asset retirement obligations	9,869	9,668
Deferred tax liabilities	2,120	5,983
Other	8,112	8,458
Total other non-current liabilities	$ 87,546	$ 134,655

(1) Changes between March 31, 2018 and December 31, 2017 are primarily due to the adoption of ASC 606. See Note 2, "New Accounting Pronouncements," for additional information.

7. Intangible Assets

Our intangible assets are comprised of both indefinite-lived and finite-lived intangible assets. Intangible assets with indefinite lives and goodwill are not amortized, but are reviewed for impairment at least annually or whenever events or circumstances indicate the carrying value of the asset may not be recoverable. We perform our annual impairment tests of our indefinite-lived intangible assets and goodwill during the fourth quarter of each fiscal year. We also reevaluate the useful life of indefinite-lived intangible assets each reporting period to determine whether events and circumstances continue to support an indefinite useful life. The results of our annual indefinite-lived intangible assets and goodwill impairment assessments in the fourth quarter of 2017 indicated no impairment.

As of both March 31, 2018 and December 31, 2017, our goodwill balance, all of which related to our BA segment, was $0.6 million.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Our intangible assets, other than goodwill, as of March 31, 2018 and December 31, 2017 were as follows (*in thousands, except for weighted average remaining useful life*):

	Weighted Average Remaining Useful Life (in years)	As of March 31, 2018			As of December 31, 2017		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets:							
Software	2.1	$148,172	$ (98,916)	$49,256	$145,063	$ (93,523)	$51,540
Service customer relationship	2.0	8,081	(6,042)	2,039	8,081	(5,788)	2,293
Other intangible assets	1.4	1,500	(1,200)	300	1,500	(1,103)	397
OEM and dealer relationships		6,724	(6,724)	—	6,724	(6,724)	—
Total amortized intangible assets		164,477	(112,882)	51,595	161,368	(107,138)	54,230
Unamortized intangible assets:							
FCC Licenses		32,283	—	32,283	32,283	—	32,283
Total intangible assets		$196,760	$ (112,882)	$83,878	$193,651	$ (107,138)	$86,513

Amortization expense was $7.6 million and $5.8 million, respectively, for the three month periods ended March 31, 2018 and 2017.

Amortization expense for each of the next five years and thereafter is estimated to be as follows (*in thousands*):

Years ending December 31,	Amortization Expense
2018 (period from April 1 to December 31)	$ 19,725
2019	$ 17,093
2020	$ 9,236
2021	$ 3,337
2022	$ 1,706
Thereafter	$ 498

Actual future amortization expense could differ from the estimated amount as a result of future investments and other factors.

8. Warranties

We provide warranties on parts and labor related to our products. Our warranty terms range from two to five years. Warranty reserves are established for costs that are estimated to be incurred after the sale, delivery and installation of the products under warranty. The warranty reserves are determined based on known product failures, historical experience and other available evidence, and are included in accrued liabilities in our unaudited condensed consolidated balance sheets. Our warranty reserve balance was $4.9 million and $2.4 million, respectively, as of March 31, 2018 and December 31, 2017. Changes between March 31, 2018 and December 31, 2017 relate to the accounting impact of the transition of one of our agreements to the airline-directed model. See Note 1, "Basis of Presentation" for additional information.

9. Long-Term Debt and Other Liabilities

Long-term debt as of March 31, 2018 and December 31, 2017 was as follows (*in thousands*):

	March 31, 2018	December 31, 2017
Senior Secured Notes	$ 704,835	$ 705,520
Convertible Notes	316,768	311,544
Total debt	1,021,603	1,017,064
Less deferred financing costs	(15,161)	(16,196)
Total long-term debt	$1,006,442	$1,000,868

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Senior Secured Notes – On June 14, 2016 (the "Issue Date"), Gogo Intermediate Holdings LLC ("GIH") (a wholly owned subsidiary of Gogo Inc.) and Gogo Finance Co. Inc. (a wholly owned subsidiary of GIH) (the "Co-Issuer" and, together with GIH, the "Issuers"), issued $525 million aggregate principal amount of 12.500% senior secured notes due 2022 (the "Original Senior Secured Notes") under an Indenture, dated as of June 14, 2016 (the "Original Indenture"), among the Issuers, us, as guarantor, certain subsidiaries of GIH, as guarantors (the "Subsidiary Guarantors" and, together with us, the "Guarantors"), and U.S. Bank National Association, as trustee (in such capacity, the "Trustee") and as collateral agent (in such capacity, the "Collateral Agent"). On January 3, 2017, the Issuers issued $65 million aggregate principal amount of additional 12.500% senior secured notes due 2022 (the "January 2017 Additional Notes"). The January 2017 Additional Notes were issued at a price equal to 108% of their face value resulting in gross proceeds of $70.2 million. On September 20, 2017, the Issuers, the Guarantors and the Trustee entered into the first supplemental indenture (the "Supplemental Indenture" and, together with the Original Indenture, the "Indenture") to modify certain covenants, as discussed below. On September 25, 2017, the Issuers issued $100 million aggregate principal amount of additional 12.500% senior secured notes due 2022 (the "September 2017 Additional Notes"). The September 2017 Additional Notes were issued at a price equal to 113% of their face value resulting in gross proceeds of $113.0 million. Additionally, we received approximately $2.9 million for interest that accrued from July 1, 2017 through September 24, 2017, which was paid in our January 2018 interest payment. We refer to the Original Senior Secured Notes, the January 2017 Additional Notes and the September 2017 Additional Notes collectively as the "Senior Secured Notes."

As noted above, on September 20, 2017, the Issuers, the Guarantors and the Trustee entered into the Supplemental Indenture to (i) increase the amount of additional secured indebtedness under Credit Facilities (as defined in the Indenture) that may be incurred by the Issuer and its Restricted Subsidiaries (as defined in the Indenture) under the Indenture by $100 million (from $75 million to $175 million in aggregate principal amount), (ii) permit the Issuer and its Restricted Subsidiaries to incur additional secured indebtedness in connection with vendor financing arrangements not to exceed $50 million in aggregate principal amount at any time outstanding and (iii) permit the Issuer and its Restricted Subsidiaries to make additional dividends or distributions to Gogo in an aggregate amount of up to $15 million during any twelve-month period to pay interest on any indebtedness or preferred stock with a maturity later than July 1, 2022. The Supplemental Indenture became effective immediately upon execution, following our receipt of consents from holders of a majority of the outstanding principal amount of the Existing Notes (excluding Existing Notes held by the Issuers or any affiliates of the Issuers) to the Supplemental Indenture and amendments to the collateral agency agreement governing the Senior Secured Notes (the "Consent Solicitation"). In connection with the Consent Solicitation, GIH paid $1.4 million in fees ("Consent Fees") to holders of Existing Notes who validly tendered (and did not revoke) their consents prior to the expiration of the Consent Solicitation.

As of March 31, 2018 and December 31, 2017, the outstanding principal amount of the Senior Secured Notes was $690.0 million and $690.0 million, respectively, the unamortized debt premium and Consent Fees were $14.8 million and $15.5 million, respectively, and the net carrying amount was $704.8 million and $705.5 million, respectively.

Interest on the Senior Secured Notes accrues at the rate of 12.500% per annum and is payable semi-annually in arrears on January 1 and July 1, interest payments commenced on January 1, 2017 (other than the January 2017 Additional Notes, for which interest payments commenced on July 1, 2017, and the September 2017 Additional Notes, for which interest payments commenced on January 1, 2018). The Senior Secured Notes mature on July 1, 2022. The January 2017 Additional Notes and September 2017 Additional Notes have the same terms as the Original Senior Secured Notes, except with respect to the issue date and issue price, and are treated as a single series for all purposes under the Indenture and the security documents that govern the Senior Secured Notes.

We paid approximately $11.4 million, $2.0 million and $2.5 million, respectively, of aggregate origination fees and financing costs related to the issuance of the Original Senior Secured Notes, the January 2017 Additional Notes and the September 2017 Additional Notes, which have been accounted for as deferred financing costs. Additionally, as noted above, we paid approximately $1.4 million of Consent Fees, which partially offset the net carrying value of the Senior Secured Notes. The deferred financing costs on our unaudited condensed consolidated balance sheet are being amortized over the contractual term of the Senior Secured Notes using the effective interest method. Total amortization expense was $0.6 million and $0.5 million, respectively, for the three months ended March 31, 2018 and 2017. As of March 31, 2018 and December 31, 2017, the balance of unamortized deferred financing costs related to the Senior Secured Notes was $12.0 million and $12.6 million, respectively, and is included as a reduction to long-term debt in our unaudited condensed consolidated balance sheet. See Note 10, "Interest Costs," for additional information.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

The Senior Secured Notes are the senior secured indebtedness of the Issuers and are:

- effectively senior to all of the Issuers' existing and future senior unsecured indebtedness and the Issuers' indebtedness secured on a junior priority basis by the same collateral securing the Senior Secured Notes, if any, in each case to the extent of the value of the collateral securing the Senior Secured Notes;
- effectively senior in right of payment to all of the Issuers' future indebtedness that is subordinated in right of payment to the Senior Secured Notes;
- effectively equal in right of payment with the Issuers' existing and future (i) unsecured indebtedness that is not subordinated in right of payment to the Senior Secured Notes and (ii) indebtedness secured on a junior priority basis by the same collateral securing the Senior Secured Notes, if any, in each case to the extent of any insufficiency in the collateral securing the Senior Secured Notes;
- structurally senior to all of our existing and future indebtedness, including our Convertible Notes (as defined below); and
- structurally subordinated to all of the indebtedness and other liabilities of any non-Guarantors (other than the Issuers).

The Senior Secured Notes are guaranteed, on a senior secured basis, by us and all of GIH's existing and future domestic restricted subsidiaries (other than the Co-Issuer), subject to certain exceptions. The Issuers' obligations under the Senior Secured Notes are not guaranteed by Gogo International Holdings LLC, a subsidiary of ours that holds no material assets other than equity interests in our foreign subsidiaries. Each guarantee is a senior secured obligation of such Guarantor and is:

- effectively senior to all of such Guarantor's existing and future senior unsecured indebtedness and such Guarantor's indebtedness secured on a junior priority basis by the same collateral, if any, securing the guarantee of such Guarantor, in each case to the extent of the value of the collateral securing such guarantee;
- effectively senior in right of payment to all of such Guarantor's future indebtedness that is subordinated in right of payment to such Guarantor's guarantee;
- effectively equal in right of payment with all of such Guarantor's existing and future (i) unsecured indebtedness that is not subordinated in right of payment to such Guarantor's guarantee, and (ii) indebtedness secured on a junior priority basis by the same collateral, if any, securing the guarantee of such Guarantor, in each case to the extent of any insufficiency in the collateral securing such guarantee; and
- structurally subordinated to all indebtedness and other liabilities of any non-Guarantor subsidiary of such Guarantor (excluding, in the case of our guarantee, the Issuers).

The Senior Secured Notes and the related guarantees are secured by first-priority liens, subject to permitted liens, on substantially all of the Issuers' and the Guarantors' assets, except for certain excluded assets, including pledged equity interests of the Issuers and all of our existing and future domestic restricted subsidiaries guaranteeing the Senior Secured Notes.

The security interests in certain collateral may be released without the consent of holders of the Senior Secured Notes, if such collateral is disposed of in a transaction that complies with the Indenture and related security agreements. In addition, under certain circumstances, we and the Guarantors have the right to transfer certain intellectual property assets that on the Issue Date constitute collateral securing the Senior Secured Notes or the guarantees to a restricted subsidiary organized under the laws of Switzerland, resulting in the release of such collateral without consent of the holders of the Senior Secured Notes.

On or after July 1, 2019, the Issuers may, at their option, at any time or from time to time, redeem any of the Senior Secured Notes in whole or in part. The Senior Secured Notes will be redeemable at the following redemption prices (expressed in percentages of principal amount), plus accrued and unpaid interest, if any, to (but not including) the redemption date (subject to the right of holders of record on the relevant regular record date on or prior to the redemption date to receive interest due on an interest payment date), if redeemed during the twelve-month period commencing on July 1 of the following years:

Year	Redemption Price
2019	106.250%
2020	103.125%
2021 and thereafter	100.000%

In addition, at any time prior to July 1, 2019, the Issuers may redeem up to 35% of the aggregate principal amount of the Senior Secured Notes with the proceeds of certain equity offerings at a redemption price of 112.500% of the principal amount redeemed, plus accrued and unpaid interest, if any, to (but not including) the date of redemption; provided, however, that Senior Secured Notes representing at least 65% of the principal amount of the Senior Secured Notes remain outstanding immediately after each such redemption.

The Issuers may redeem the Senior Secured Notes, in whole or in part, at any time prior to July 1, 2019, at a redemption price equal to 100% of the principal amount of the Senior Secured Notes redeemed plus the make-whole premium set forth in the Indenture as of, and accrued and unpaid interest, if any, to (but not including) the applicable redemption date.

The Indenture contains covenants that, among other things, limit the ability of the Issuers and the Subsidiary Guarantors and, in certain circumstances, our ability, to: incur additional indebtedness; pay dividends, redeem stock or make other distributions; make investments; create restrictions on the ability of our restricted subsidiaries to pay dividends to the Issuers or make other intercompany transfers; create liens; transfer or sell assets; merge or consolidate; and enter into certain transactions with the Issuers' affiliates, including us. Most of these covenants will cease to apply if, and for as long as, the Senior Secured Notes have investment grade ratings from both Moody's Investment Services, Inc. and Standard & Poor's.

If we or the Issuers undergo specific types of change of control prior to July 1, 2022, GIH is required to make an offer to repurchase for cash all of the Senior Secured Notes at a repurchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to (but not including) the payment date.

The Indenture provides for events of default, which, if any of them occur, would permit or require the principal, premium, if any, and interest on all of the then outstanding Senior Secured Notes issued under the Indenture to be due and payable immediately. As of March 31, 2018, no event of default had occurred.

Convertible Notes – On March 3, 2015, we issued $340.0 million aggregate principal amount of 3.75% Convertible Senior Notes due 2020 (the "Convertible Notes") in a private offering to qualified institutional buyers, pursuant to Rule 144A under the Securities Act. We granted an option to the initial purchasers to purchase up to an additional $60.0 million aggregate principal amount of Convertible Notes to cover over-allotments, of which $21.9 million was subsequently exercised during March 2015, resulting in a total issuance of $361.9 million aggregate principal amount of Convertible Notes. The Convertible Notes mature on March 1, 2020, unless earlier repurchased or converted into shares of our common stock under certain circumstances described below. Upon maturity, we have the option to settle our obligation through cash, shares of common stock, or a combination of cash and shares of common stock. We pay interest on the Convertible Notes semi-annually in arrears on March 1 and September 1 of each year. Interest payments began on September 1, 2015.

The $361.9 million of proceeds received from the issuance of the Convertible Notes was initially allocated between long-term debt (the liability component) at $261.9 million and additional paid-in-capital (the equity component) at $100.0 million, within the consolidated balance sheet. The fair value of the liability component was measured using rates determined for similar debt instruments without a conversion feature. The carrying amount of the equity component, representing the conversion option, was determined by deducting the fair value of the liability component from the aggregate face value of the Convertible Notes. If we or the note holders elect not to settle the debt through conversion, we must settle the Convertible Notes at face value. Therefore, the liability component will be accreted up to the face value of the Convertible Notes, which will result in additional non-cash interest expense being recognized in the unaudited condensed consolidated statements of operations through the Convertible Notes maturity date (see Note 10, "Interest Costs" for additional information). The effective interest rate on the Convertible Notes, including accretion of the notes to par and debt issuance cost amortization, was approximately 11.5%. The equity component will not be remeasured as long as it continues to meet the conditions for equity classification.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

As of March 31, 2018 and December 31, 2017, the outstanding principal on the Convertible Notes was $361.9 million, the unamortized debt discount was $45.1 million and $50.4 million, respectively, and the net carrying amount of the liability component was $316.8 million and $311.5 million, respectively.

We incurred approximately $10.4 million of issuance costs related to the issuance of the Convertible Notes of which $7.5 million and $2.9 million were recorded as deferred financing costs and additional paid-in capital, respectively, in proportion to the allocation of the proceeds of the Convertible Notes. The $7.5 million recorded as deferred financing costs on our consolidated balance sheet is being amortized over the term of the Convertible Notes using the effective interest method. Total amortization expense of the deferred financing costs was $0.4 million and $0.4 million, respectively, for the three months ended March 31, 2018 and 2017. Amortization expense is included in interest expense in the unaudited condensed consolidated statements of operations. As of March 31, 2018 and December 31, 2017, the balance of unamortized deferred financing costs related to the Convertible Notes was $3.2 million and $3.6 million, respectively, and is included as a reduction to long-term debt in our unaudited condensed consolidated balance sheets. See Note 10, "Interest Costs" for additional information.

The Convertible Notes had an initial conversion rate of 41.9274 common shares per $1,000 principal amount of Convertible Notes, which is equivalent to an initial conversion price of approximately $23.85 per share of our common stock. Upon conversion, we currently expect to deliver cash up to the principal amount of the Convertible Notes then outstanding. With respect to any conversion value in excess of the principal amount, we currently expect to deliver shares of our common stock. We may elect to deliver cash in lieu of all or a portion of such shares. The shares of common stock subject to conversion are excluded from diluted earnings per share calculations under the if-converted method as their impact is anti-dilutive.

Holders may convert the Convertible Notes, at their option, in multiples of $1,000 principal amount at any time prior to December 1, 2019, but only in the following circumstances:

- during any fiscal quarter beginning after the fiscal quarter ended June 30, 2015, if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the last 30 consecutive trading days of the immediately preceding fiscal quarter is greater than or equal to 130% of the conversion price of the Convertible Notes on each applicable trading day;
- during the five business day period following any five consecutive trading day period in which the trading price for the Convertible Notes is less than 98% of the product of the last reported sale price of our common stock and the conversion rate for the Convertible Notes on each such trading day; or
- upon the occurrence of specified corporate events.

None of the above events allowing for conversion prior to December 1, 2019 occurred during the three month period ended March 31, 2018 or the year ended December 31, 2017. Regardless of whether any of the foregoing circumstances occurs, a holder may convert its Convertible Notes, in multiples of $1,000 principal amount, at any time on or after December 1, 2019 until maturity.

In addition, if we undergo a fundamental change (as defined in the indenture governing the Convertible Notes), holders may, subject to certain conditions, require us to repurchase their Convertible Notes for cash at a price equal to 100% of the principal amount of the Convertible Notes to be purchased, plus any accrued and unpaid interest. In addition, if specific corporate events occur prior to the maturity date, we will increase the conversion rate for a holder who elects to convert its Convertible Notes in connection with such a corporate event in certain circumstances.

In connection with the issuance of the Convertible Notes, we paid approximately $140 million to enter into prepaid forward stock repurchase transactions (the "Forward Transactions") with certain financial institutions (the "Forward Counterparties"), pursuant to which we purchased approximately 7.2 million shares of common stock for settlement on or around the March 1, 2020 maturity date for the Convertible Notes, subject to the ability of each Forward Counterparty to elect to settle all or a portion of its Forward Transactions early. As a result of the Forward Transactions, total shareholders' equity within our unaudited condensed consolidated balance sheet was reduced by approximately $140 million. Approximately 7.2 million shares of common stock that will be effectively repurchased through the Forward Transactions are treated as retired shares for basic and diluted EPS purposes although they remain legally outstanding.

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Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

Restricted Cash - Our restricted cash balances were $7.4 million as of both March 31, 2018 and December 31, 2017 and primarily consist of letters of credit. Certain of the letters of credit require us to maintain restricted cash accounts in a similar amount, and are issued for the benefit of the landlords at our current office locations in Chicago, IL, Bensenville, IL and Broomfield, CO.

10. Interest Costs

We capitalize a portion of our interest on funds borrowed during the active construction period of major capital projects. Capitalized interest is added to the cost of the underlying assets and amortized over the useful lives of the assets.

The following is a summary of our interest costs for the three month periods ended March 31, 2018 and 2017 *(in thousands)*:

	For the Three Months Ended March 31,	
	2018	2017
Interest costs charged to expense	$24,980	$21,539
Amortization of deferred financing costs	1,035	896
Accretion of debt discount on Convertible Notes	5,224	4,681
Amortization of debt premium on Senior Secured Notes	(685)	(173)
Interest expense	30,554	26,943
Interest costs capitalized to property and equipment	12	4
Interest costs capitalized to software	32	358
Total interest costs	$30,598	$27,305

11. Leases

Arrangements with Commercial Airlines — Pursuant to contractual agreements with our airline partners, we place our equipment on commercial aircraft operated by the airlines for the purpose of delivering our service to passengers on the aircraft. There are currently two types of commercial airline arrangements: turnkey and airline-directed. See Note 3, “Revenue Recognition,” for additional information on airline-directed arrangements.

Under the turnkey model, we account for equipment transactions as operating leases of space for our equipment on the aircraft. We may be responsible for the costs of installing and/or deinstalling the equipment. Under the turnkey model, the equipment transactions involve the transfer of legal title but do not meet sales recognition for accounting purposes because the risks and rewards of ownership are not fully transferred due to our continuing involvement with the equipment, the length of the term of our agreements with the airlines, and restrictions in the agreements regarding the airlines’ use of the equipment. Under the turnkey model, we refer to the airline as a “partner”.

Under the turnkey model, the assets are recorded as airborne equipment on our unaudited condensed consolidated balance sheets, as noted in Note 6, “Composition of Certain Balance Sheet Accounts.” Any upfront equipment payments are accounted for as lease incentives and recorded as deferred airborne lease incentives on our unaudited condensed consolidated balance sheets and are recognized as a reduction of the cost of service revenue on a straight-line basis over the term of the agreement with the airline. We recognized $7.6 million and $9.3 million, respectively, for the three month periods ended March 31, 2018 and 2017, as a reduction to our cost of service revenue in our unaudited condensed consolidated statements of operations. As of March 31, 2018, deferred airborne lease incentives of $29.5 million and $124.7 million, respectively, are included in current and non-current liabilities in our unaudited condensed consolidated balance sheet. As of December 31, 2017, deferred airborne lease incentives of $42.1 million and $142.9 million, respectively, are included in current and non-current liabilities in our unaudited condensed consolidated balance sheet. The decrease in our deferred airborne lease incentives and the amortization of the deferred airborne lease incentives relate to the accounting impact of the transition of one of our agreements to the airline-directed model. See Note 1, “Basis of Presentation,” for additional information.

Under the turnkey model, the revenue share paid to our airline partners represents operating lease payments. They are deemed to be contingent rental payments, as the payments due to each airline are based on a percentage of our CA-NA and CA-ROW service revenue generated from that airline’s passengers, which is unknown until realized. Therefore, we cannot estimate the lease payments due to an airline at the commencement of our contract with such airline. This rental expense is included in cost of service revenue and is partially offset by the amortization of the deferred airborne lease incentives discussed above. Such rental expenses totaled a net charge of $6.4 million and $8.9 million, respectively, for the three months ended March 31, 2018 and 2017. The decrease in rental expense was due to the transition of one of our airline agreements to the airline-directed model. See Note 1, "Basis of Presentation," for additional information.

A contract with one of our airline partners requires us to provide the airline partner with a cash rebate of $1.8 million in June 2018.

Leases and Cell Site Contracts — We have lease agreements relating to certain facilities and equipment, which are considered operating leases. Rent expense for such operating leases was $3.1 million and $3.0 million, respectively, for the three month periods ended March 31, 2018 and 2017. Additionally, we have operating leases with wireless service providers for tower space and base station capacity on a volume usage basis ("cell site leases"), some of which provide for minimum annual payments. Our cell site leases generally provide for an initial noncancelable term with various renewal options. Total cell site rental expense was $2.7 million and $2.3 million, respectively, for the three month periods ended March 31, 2018 and 2017.

Annual future minimum obligations for operating leases for each of the next five years and thereafter, other than the arrangements we have with our commercial airline partners, as of March 31, 2018, are as follows (*in thousands*):

Years ending December 31,	Operating Leases
2018 (period from April 1 to December 31)	$ 16,924
2019	$ 21,030
2020	$ 18,896
2021	$ 18,746
2022	$ 17,468
Thereafter	$ 92,287

Equipment Leases – We lease certain computer and network equipment under capital leases, for which interest has been imputed with annual interest rates in an approximate range of 8% to 14%. As of March 31, 2018 and December 31, 2017 the computer equipment leases were classified as part of office equipment, furniture, and fixtures and other in our unaudited condensed consolidated balance sheet at a gross cost of $5.0 million and $5.0 million, respectively. As of March 31, 2018 and December 31, 2017, the network equipment leases were classified as part of network equipment in our unaudited condensed consolidated balance sheet at a gross cost of $7.5 million and $7.5 million, respectively. Annual future minimum obligations under capital leases for each of the next five years and thereafter, as of March 31, 2018, are as follows (*in thousands*):

Years ending December 31,	Capital Leases
2018 (period from April 1 to December 31)	$1,285
2019	960
2020	211
Thereafter	—
Total minimum lease payments	2,456
Less: Amount representing interest	(160)
Present value of net minimum lease payments	$2,296

The $2.3 million present value of net minimum lease payments as of March 31, 2018 has a current portion of $1.5 million included in the current portion of long-term debt and capital leases and a non-current portion of $0.8 million included in other non-current liabilities.

12. Commitments and Contingencies

Contractual Commitments - We have agreements with vendors to provide us with transponder and teleport satellite services. These agreements vary in length and amount and as of March 31, 2018 commit us to purchase transponder and teleport satellite services totaling approximately $65.8 million in 2018 (April 1 through December 31), $89.1 million in 2019, $89.8 million in 2020, $77.5 million in 2021, $73.9 million in 2022 and $227.6 million thereafter.

We have agreements with various vendors under which we have remaining commitments to purchase satellite-based systems, certifications and development services. Such commitments will become payable as we receive the equipment or certifications, or as development services are provided.

Damages and Penalties - We have entered into a number of agreements with our airline partners that require us to provide a credit or pay penalties or liquidated damages to our airline partners if we are unable to install our equipment on aircraft by specified timelines or fail to comply with service level commitments. The maximum amount of future credits or payments we could be required to make under these agreements is uncertain because the amount of future credits or payments is based on certain variable inputs.

Indemnifications and Guarantees - In accordance with Delaware law, we indemnify our officers and directors for certain events or occurrences while the officer or director is, or was, serving at our request in such capacity. The maximum potential amount of future payments we could be required to make under this indemnification is uncertain and may be unlimited, depending upon circumstances. However, our Directors' and Officers' insurance does provide coverage for certain of these losses.

In the ordinary course of business we may occasionally enter into agreements pursuant to which we may be obligated to pay for the failure of performance of others, such as the use of corporate credit cards issued to employees. Based on historical experience, we believe that the risk of sustaining any material loss related to such guarantees is remote.

We have entered into a number of agreements, including our agreements with commercial airlines, pursuant to which we indemnify the other party for losses and expenses suffered or incurred in connection with any patent, copyright, or trademark infringement or misappropriation claim asserted by a third party with respect to our equipment or services. The maximum potential amount of future payments we could be required to make under these indemnification agreements is uncertain and is typically not limited by the terms of the agreements.

13. Fair Value of Financial Assets and Liabilities

A three-tier fair value hierarchy has been established which prioritizes the inputs used in measuring fair value. These tiers include:

- *Level 1* - defined as observable inputs such as quoted prices in active markets;
- *Level 2* - defined as observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- *Level 3* - defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Long-Term Debt:

Our financial assets and liabilities that are disclosed but not measured at fair value include the Senior Secured Notes and the Convertible Notes, which are reflected on the unaudited condensed consolidated balance sheet at cost. The fair value measurements are classified as Level 2 within the fair value hierarchy since they are based on quoted market prices of our instruments in markets that are not active. We estimated the fair value of the Senior Secured Notes and Convertible Notes by calculating the upfront cash payment a market participant would require to assume these obligations. The upfront cash payment used in the calculations of fair value on our March 31, 2018 unaudited condensed consolidated balance sheet, excluding any issuance costs, is the amount that a market participant would be willing to lend at March 31, 2018 to an entity with a credit rating similar to ours and achieve sufficient cash inflows to cover the scheduled cash outflows under the Senior Secured Notes and the Convertible Notes. The calculated fair value of our Convertible Notes is highly correlated to our stock price and as a result significant changes to our stock price could have a significant impact on the calculated fair value of our Convertible Notes.

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Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

The fair value and carrying value of long-term debt as of March 31, 2018 and December 31, 2017 were as follows *(in thousands)*:

	March 31, 2018		December 31, 2017	
	Fair Value (1)	Carrying Value	Fair Value (1)	Carrying Value
Senior Secured Notes	$ 778,000	$704,835(2)	$ 782,000	$705,520(2)
Convertible Notes	327,000	316,768(3)	330,000	311,544(3)

(1) Fair value amounts are rounded to the nearest million.
(2) Carrying value of the Senior Secured Notes includes unamortized debt premium and Consent Fees of $14.8 million and $15.5 million, respectively, as of March 31, 2018 and December 31, 2017. See Note 9, "Long-Term Debt and Other Liabilities," for further information.
(3) Carrying value of the Convertible Notes excludes unamortized debt discount of $45.1 million and $50.4 million, respectively, as of March 31, 2018 and December 31, 2017. See Note 9, "Long-Term Debt and Other Liabilities," for further information.

We have held-to-maturity financial instruments where carrying value approximates fair value. There were no fair value adjustments to these financial instruments during the three month periods ended March 31, 2018 and 2017.

14. Income Tax

The effective income tax rates for the three month periods ended March 31, 2018 and 2017 was 12.0% and (0.6%), respectively. An income tax benefit was recorded for the three-month period ended March 31, 2018 resulting from a reduction in our valuation allowance of approximately $4.0 million due to the application of provisions of H.R. 1, commonly known as the Tax Cuts and Jobs Act ("Tax Reform"), to our evaluation of our deferred tax assets. For the three-months ended March 31, 2017, our income tax expense was not significant primarily due to the recording of a valuation allowance against our net deferred tax assets.

We are subject to income taxation in the United States, various states within the United States, Canada, Switzerland, Japan, Mexico, Brazil, Singapore, the United Kingdom, Hong Kong, Australia, China, India, France, Germany and the Netherlands. With few exceptions, as of March 31, 2018, we are no longer subject to U.S. federal, state, local or foreign examinations by tax authorities for years before 2014.

We record penalties and interest relating to uncertain tax positions in the income tax provision line item in the unaudited condensed consolidated statement of operations. No penalties or interest related to uncertain tax positions were recorded for the three month periods ended March 31, 2018 and 2017. As of March 31, 2018 and December 31, 2017, we did not have a liability recorded for interest or potential penalties.

We do not expect a change in the unrecognized tax benefits within the next 12 months.

15. Business Segments and Major Customers

We operate our business through three operating segments: Commercial Aviation North America, or "CA-NA", Commercial Aviation Rest of World, or "CA-ROW," and Business Aviation, or "BA". See Note 1, "Basis of Presentation," for further information regarding our segments.

The accounting policies of the operating segments are the same as those described in Note 2, "Summary of Significant Accounting Policies," in our 2017 10-K. Intercompany transactions between segments are excluded as they are not included in management's performance review of the segments. For the three months ended March 31, 2018 and 2017, our foreign revenue accounts for less than 10% of our consolidated revenue. We do not segregate assets between segments for internal reporting. Therefore, asset-related information has not been presented. We do not disclose assets outside of the United States as they totaled less than 10% of our unaudited condensed consolidated assets as of March 31, 2018 and December 31, 2017. For our airborne assets, we consider only those assets installed in aircraft associated with international commercial airline partners to be owned outside of the United States.

Management evaluates performance and allocates resources to each segment based on segment profit (loss), which is calculated internally as net income (loss) attributable to common stock before interest expense, interest

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Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

income, income taxes, depreciation and amortization, certain non-cash items (including amortization of deferred airborne lease incentives, stock-based compensation expense, amortization of STC costs and the accounting impact of the transition to airline-directed model) and other income (expense). Segment profit (loss) is a measure of performance reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and evaluating segment performance. In addition, segment profit (loss) is included herein in conformity with ASC 280-10, *Segment Reporting*. Management believes that segment profit (loss) provides useful information for analyzing and evaluating the underlying operating results of each segment. However, segment profit (loss) should not be considered in isolation or as a substitute for net income (loss) attributable to common stock or other measures of financial performance prepared in accordance with GAAP. Additionally, our computation of segment profit (loss) may not be comparable to other similarly titled measures computed by other companies.

Information regarding our reportable segments is as follows (*in thousands*):

	For the Three Months Ended March 31, 2018			
	CA-NA	CA-ROW	BA	Total
Service revenue	$ 88,783	$ 14,245	$47,650	$150,678
Equipment revenue (1)	55,038	4,924	21,185	81,147
Total revenue	$143,821	$ 19,169	$68,835	$231,825
Segment profit (loss)	$ 1,656	$(22,605)	$32,323	$ 11,374

	For the Three Months Ended March 31, 2017			
	CA-NA	CA-ROW	BA	Total
Service revenue	$ 97,145	$ 9,368	$39,982	$146,495
Equipment revenue	1,671	918	16,322	18,911
Total revenue	$ 98,816	$ 10,286	$56,304	$165,406
Segment profit (loss)	$ 11,159	$(26,555)	$26,115	$ 10,719

(1) CA-NA equipment revenue for the three months ended March 31, 2018 includes the accounting impact of the transition of one of our airline partners to the airline-directed model. See Note 1, "Basis of Presentation" for additional information.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

A reconciliation of segment profit (loss) to the relevant consolidated amounts is as follows (*in thousands*):

	For the Three Months Ended March 31,	
	2018	2017
CA-NA segment profit	$ 1,656	$ 11,159
CA-ROW segment loss	(22,605)	(26,555)
BA segment profit	32,323	26,115
Total segment profit	11,374	10,719
Interest income	1,076	545
Interest expense	(30,554)	(26,943)
Depreciation and amortization	(35,919)	(30,435)
Transition to airline-directed model	19,302	—
Amortization of deferred airborne lease incentives *(1)*	7,630	9,348
Amortization of STC costs	(172)	—
Stock-based compensation expense	(4,386)	(4,330)
Other income (expense)	505	(38)
Loss before income taxes	$(31,144)	$(41,134)

(1) Amortization of deferred airborne lease incentive relates to our CA-NA and CA-ROW segments. See Note 11, “Leases,” for further information.

Major Customers and Airline Partnerships — Under the turnkey model, we refer to the airline as a “partner”, and under the airline-directed model, we refer to the airline as a “customer.”

During the three month period ended March 31, 2018, American Airlines accounted for approximately 36% of consolidated revenue while no other customer accounted for more than 10% of consolidated revenue during the prior year period. Revenue earned from American Airlines for the three month period ended March 31, 2018 included $45.4 million of equipment revenue recognized due to its transition to the airline-directed model. See Note 1, “Basis of Presentation,” for additional information. Revenue earned from passengers on aircraft operated by American Airlines, which was under the turnkey model during the three month period ended March 31, 2017, accounted for approximately 23% of consolidated revenue during such period.

Revenue earned from passengers on aircraft operated by Delta Air Lines, which is under the turnkey model, accounted for approximately 20% and 25%, respectively, of consolidated revenue for the three month periods ended March 31, 2018 and 2017.

American Airlines and one other customer each accounted for more than 10% of our consolidated accounts receivable as of March 31, 2018, and approximately 22% on a combined basis. One customer accounted for approximately 15% of consolidated accounts receivable as of December 31, 2017. Delta Air Lines one of our airline partners, accounted for approximately 13% and 21%, respectively, of consolidated accounts receivable as of March 31, 2018 and December 31, 2017.

16. Employee Retirement and Postretirement Benefits

Stock-Based Compensation — As of March 31, 2018, we had three stock-based employee compensation plans (“Stock Plans”). See Note 11, “Stock-Based Compensation,” in our 2017 10-K for further information regarding these plans. Most of our equity grants are awarded on an annual basis.

For the three month period ended March 31, 2018, options to purchase 2,239,417 shares of common stock (of which 633,012 are options that contain a market condition, in addition to the time-based vesting requirements) were granted, options to purchase 253,653 (of which 207,527 options contain a market condition) shares of common stock were forfeited, and options to purchase 288,250 shares of common stock expired.

For the three month period ended March 31, 2018, 696,260 Restricted Stock Units (“RSUs”) (of which 205,993 are RSUs that contain a market condition, in addition to the time-based vesting requirements) were granted, 148,302 RSUs vested and 58,045 RSUs (of which 33,692 contained a market condition) were forfeited.

For the three month period ended March 31, 2018, 14,271 shares vested. These shares are deemed issued as of the date of grant, but not outstanding until they vest.

Gogo Inc. and Subsidiaries
Notes to Unaudited Condensed Consolidated Financial Statements – (Continued)

For the three month period ended March 31, 2018, 25,331 Deferred Stock Units were granted and vested.

For the three month period ended March 31, 2018, 55,812 shares of common stock were issued under the employee stock purchase plan.

The following is a summary of our stock-based compensation expense by operating expense line in the unaudited condensed consolidated statements of operations *(in thousands)*:

	For the Three Months Ended March 31,	
	2018	2017
Cost of service revenue	$ 434	$ 458
Cost of equipment revenue	54	37
Engineering, design and development	910	850
Sales and marketing	1,082	749
General and administrative	1,906	2,236
Total stock-based compensation expense	$ 4,386	$ 4,330

401(k) Plan — Under our 401(k) plan, all employees who are eligible to participate, are entitled to make tax-deferred contributions, subject to Internal Revenue Service limitations. We match 100% of the employee’s first 4% of contributions made, subject to annual limitations. Our matching contributions were $1.2 million and $1.6 million, respectively, for the three month periods ended March 31, 2018 and 2017.

17. Research and Development Costs

Expenditures for research and development are charged to expense as incurred and totaled $19.2 million and $22.1 million, respectively, for the three month periods ended March 31, 2018 and 2017. Research and development costs are reported as a component of engineering, design and development expenses in our unaudited condensed consolidated statements of operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this report may constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding our business outlook, industry, business strategy, plans, goals and expectations concerning our market position, international expansion, future technologies, future operations, margins, profitability, future efficiencies, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words "anticipate," "assume," "believe," "budget," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "will," "future" and the negative of these or similar terms and phrases are intended to identify forward-looking statements in this Quarterly Report on Form 10-Q.

Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Although we believe the expectations reflected in the forward-looking statements are reasonable, we can give you no assurance these expectations will prove to have been correct. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors. Although it is not possible to identify all of these risks and factors, they include, among others, the following:

- the loss of, or failure to realize benefits from, agreements with our airline partners or any failure to renew any existing agreements upon expiration or termination;
- the failure to maintain airline and passenger satisfaction with our equipment or our service;
- any inability to timely and efficiently deploy our 2Ku service or develop and deploy our next-generation ATG solution or other components of our technology roadmap for any reason, including technological issues and related remediation efforts, changes in regulations or regulatory delays or failures affecting us our suppliers, some of whom are single source, or the failure by our airline partners to roll out equipment upgrades or new services or adopt new technologies in order to support increased network capacity demands;
- the timing of deinstallation of our equipment from aircraft, including deinstallations resulting from aircraft retirements and other deinstallations permitted by certain airline contract provisions;
- the loss of relationships with original equipment manufacturers or dealers;
- our ability to make our equipment factory linefit available on a timely basis;
- our ability to develop or purchase ATG and satellite network capacity sufficient to accommodate current and expected growth in passenger demand in North America and internationally as we expand;
- our reliance on third-party suppliers, some of whom are single source, for satellite capacity and other services and the equipment we use to provide services to commercial airlines and their passengers and business aviation customers;
- unfavorable economic conditions in the airline industry and/or the economy as a whole;
- our ability to expand our international or domestic operations, including our ability to grow our business with current and potential future airline partners and the effect of shifts in business models;
- an inability to compete effectively with other current or future providers of in-flight connectivity services and other products and services that we offer, including on the basis of price, service performance and line-fit availability;
- our ability to successfully develop and monetize new products and services such as Gogo Vision and Gogo TV, including those that were recently released, are currently being offered on a limited or trial basis, or are in various stages of development;
- our ability to certify and install our equipment and deliver our products and services, including newly developed products and services, on schedules consistent with our contractual commitments to customers;

- the failure of our equipment or material defects or errors in our software resulting in recalls or substantial warranty claims;
- a revocation of, or reduction in, our right to use licensed spectrum, the availability of other air-to-ground spectrum to a competitor or the repurposing by a competitor of other spectrum for air-to-ground use;
- our use of open source software and licenses;
- the effects of service interruptions or delays, technology failures and equipment failures or malfunctions arising from defects or errors in our software or defects in or damage to our equipment;
- the limited operating history of our CA-ROW segment;
- contract changes and implementation issues resulting from decisions by airlines to transition from the turnkey model to the airline-directed model;
- increases in our projected capital expenditures due to, among other things, unexpected costs incurred in connection with the roll-out of our technology roadmap or our international expansion;
- compliance with U.S. and foreign government regulations and standards, including those related to regulation of the Internet, including e-commerce or online video distribution changes, and the installation and operation of satellite equipment and our ability to obtain and maintain all necessary regulatory approvals to install and operate our equipment in the United States and foreign jurisdictions;
- our, or our technology suppliers', inability to effectively innovate;
- changes as a result of U.S. federal tax reform;
- costs associated with defending pending or future intellectual property infringement and other litigation or claims and any negative outcome or effect of pending or future litigation;
- our ability to protect our intellectual property;
- breaches of the security of our information technology network, resulting in unauthorized access to our customers' credit card information or other personal information;
- our substantial indebtedness;
- limitations and restrictions in the agreements governing our indebtedness and our ability to service our indebtedness;
- our ability to obtain additional financing on acceptable terms or at all;
- fluctuations in our operating results;
- our ability to attract and retain customers and to capitalize on revenue from our platform;
- the demand for and market acceptance of our products and services;
- changes or developments in the regulations that apply to us, our business and our industry, including changes or developments affecting the ability of passengers or airlines to use our in-flight connectivity services, including the recent U.S. and U.K. bans on the use of certain personal devices such as laptops and tablets on certain aircraft flying certain routes;
- a future act or threat of terrorism, cyber-security attack or other events that could result in adverse regulatory changes or developments as referenced above, or otherwise adversely affect our business and industry;
- our ability to attract and retain qualified employees, including key personnel;
- the effectiveness of our marketing and advertising and our ability to maintain and enhance our brands;
- our ability to manage our growth in a cost-effective manner and integrate and manage acquisitions;
- compliance with anti-corruption laws and regulations in the jurisdictions in which we operate, including the Foreign Corrupt Practices Act and the (U.K.) Bribery Act 2010;

- restrictions on the ability of U.S. companies to do business in foreign countries, including, among others, restrictions imposed by the U.S. Office of Foreign Assets Control;
- difficulties in collecting accounts receivable;
- our ability to successfully implement our new enterprise resource planning system and other improvements to systems and procedures needed to support our growth; and
- other risks and factors listed under “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2017 as filed with the Securities Exchange Commission (“SEC”) on February 22, 2017 (the “2017 10-K”) and in Item 1A of this Quarterly Report on Form 10-Q.

Any one of these factors or a combination of these factors could materially affect our financial condition or future results of operations and could influence whether any forward-looking statements contained in this report ultimately prove to be accurate. Our forward-looking statements are not guarantees of future performance, and you should not place undue reliance on them. All forward-looking statements speak only as of the date made and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

In addition, while we do, from time to time, communicate with securities analysts, it is against our policy to disclose to them any material non-public information or other confidential information. Accordingly, stockholders should not assume that we agree with any statement or report issued by any analyst irrespective of the content of the statement or report. Thus, to the extent that reports issued by securities analysts contain any projections, forecasts, or opinions, such reports are not our responsibility.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is intended to help the reader understand our business, financial condition, results of operations, liquidity and capital resources. You should read this discussion in conjunction with our unaudited condensed consolidated interim financial statements and the related notes contained elsewhere in this Quarterly Report on Form 10-Q. Unless the context otherwise indicates or requires, the terms "we," "our," "us," "Gogo," and the "Company," as used in this report, refer to Gogo Inc. and its directly and indirectly owned subsidiaries as a combined entity, except where otherwise stated or where it is clear that the terms refer only to Gogo Inc. exclusive of its subsidiaries.

The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and other non-historical statements in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described under "Risk Factors" in the 2017 10-K and Item 1A in this Quarterly Report on Form 10-Q, and in "Special Note Regarding Forward-Looking Statements" in this report. Our actual results may differ materially from those contained in or implied by any forward-looking statements.

Our fiscal year ends December 31 and, unless otherwise noted, references to "years" or "fiscal" are for fiscal years ended December 31. See "—Results of Operations."

Company Overview

Gogo ("we", "us", "our") is the global leader in providing broadband connectivity solutions and wireless in-flight entertainment to the aviation industry. We operate through the following three segments: Commercial Aviation North America, or "CA-NA," Commercial Aviation Rest of World, or "CA-ROW," and Business Aviation, or "BA."

Services provided by our CA-NA and CA-ROW businesses include Passenger Connectivity, which allows passengers to connect to the Internet from their personal Wi-Fi-enabled devices; Passenger Entertainment, which offers passengers the opportunity to enjoy a broad selection of in-flight entertainment options on their personal Wi-Fi enabled devices; and Connected Aircraft Services ("CAS"), which offers airlines connectivity for various operations and currently include, among others, real-time credit card transaction processing, electronic flight bags and real-time weather information. Services are provided by CA-NA on commercial aircraft flying routes that generally begin and end within North America, which for this purpose includes the United States, Canada and Mexico. CA-ROW provides service on commercial aircraft operated by foreign-based commercial airlines and flights outside of North America for North American based commercial airlines. The routes included in our CA-ROW segment are those that begin and/or end outside of North America (as defined above) on which our international service is provided. BA provides in-flight Internet connectivity and other voice and data communications products and services and sells equipment for in-flight telecommunications to the business aviation market. BA services include Gogo Biz, our in-flight broadband service, Passenger Entertainment, our in-flight entertainment service, and satellite-based voice and data services through our strategic alliances with satellite companies.

Factors and Trends Affecting Our Results of Operations

We believe that our operating and business performance is driven by various factors that affect the commercial airline and business aviation industries, including trends affecting the travel industry and trends affecting the customer bases that we target, as well as factors that affect wireless Internet service providers and general macroeconomic factors. Key factors that may affect our future performance include:

- costs associated with the implementation of, and our ability to implement on a timely basis our technology roadmap, upgrades and installation of our ATG-4, 2Ku, next generation ATG ("ATG-NG") and other new technologies (including technological issues and related remediation efforts and failures or delays on the part of antenna and other equipment developers and providers, some of which are single source, or delays in obtaining STCs), the roll-out of our satellite services, the potential licensing or use of additional spectrum, and the implementation of improvements to our network and operations as technology changes and we experience increased network capacity constraints;

- costs associated with, and our ability to execute, our international expansion, including modifications of our network to accommodate satellite technology, development and implementation of new satellite-based technologies, the availability of satellite capacity, costs of satellite capacity to which we may have to commit well in advance, and our ability to obtain and comply with foreign telecommunications, aviation and other licenses and approvals necessary for our international operations;
- costs associated with managing a rapidly growing company;
- costs associated with, and our ability to obtain, sufficient capacity for heavily-trafficked areas in the United States and internationally, the costs of which we may have to commit to well in advance;
- the pace and extent of adoption of our service for use on domestic and international commercial aircraft by our current and new airline partners;
- the number of aircraft in service in our markets, including consolidation of the airline industry or changes in fleet size by one or more of our commercial airline partners or BA fractional ownership customers;
- the economic environment and other trends that affect both business and leisure aviation travel;
- the extent of passengers' and aviation partners' adoption of our products and services, which is affected by, among other things, willingness to pay for the services that we provide, the quality and reliability of our products and services, changes in technology and competition from current competitors and new market entrants;
- our ability to enter into and maintain long-term connectivity arrangements with airline partners, which depends on numerous factors including the real or perceived availability, quality and price of our services and product offerings as compared to those offered by our competitors;
- the impact of a change in business models and contract terms on the profitability of our connectivity agreements with airline partners, including as a result of changes in accounting standards;
- our ability to engage suppliers of equipment components and network services on a timely basis and on commercially reasonable terms;
- costs and possible delays resulting from the U.S. government's order prohibiting our supplier ZTE from buying, selling or engaging in other transactions that involve certain U.S. technology;
- costs relating to the implementation of our ongoing integrated business planning process, including potential restructuring charges;
- continued demand for connectivity and proliferation of Wi-Fi enabled devices, including smartphones, tablets and laptops;
- changes in domestic or foreign laws, regulations or policies that affect our business or the business of our customers and suppliers;
- changes in laws, regulations and interpretations affecting telecommunications services, including those affecting our ability to maintain our licenses for ATG spectrum in the United States, obtain sufficient rights to use additional ATG spectrum and/or other sources of broadband connectivity to deliver our services, expand our service offerings and manage our network; and
- changes in laws, regulations and interpretations affecting aviation, including, in particular, changes that impact the design of our equipment and our ability to obtain required certifications for our equipment.

Key Business Metrics

Our management regularly reviews financial and operating metrics, including the following key operating metrics for the CA-NA, CA-ROW and BA segments, to evaluate the performance of our business and our success in executing our business plan, make decisions regarding resource allocation and corporate strategies, and evaluate forward-looking projections.

Commercial Aviation North America

	For the Three Months Ended March 31, 2018	For the Three Months Ended March 31, 2017
Aircraft online (at period end)	2,840	2,714
Satellite	486	106
ATG	2,354	2,608
Total aircraft equivalents (average during the period)	2,912	2,772
Net annualized average monthly service revenue per aircraft equivalent (annualized ARPA) (in thousands)	$ 103	$ 114

Commercial Aviation Rest of World

	For the Three Months Ended March 31, 2018	For the Three Months Ended March 31, 2017
Aircraft online (at period end)	414	281
Total aircraft equivalents (average during the period)	339	207
Net annualized ARPA (in thousands)	$ 159	$ 179

- *Aircraft online*. We define aircraft online as the total number of commercial aircraft on which our equipment is installed and service has been made commercially available as of the last day of each period presented. We assign aircraft to CA-NA or CA-ROW at the time of contract signing as follows: (i) all aircraft operated by North American airlines and under contract for ATG or ATG-4 service are assigned to CA-NA, (ii) all aircraft operated by North American airlines and under a contract for satellite service are assigned to CA-NA or CA-ROW based on whether the routes flown by such aircraft under the contract are anticipated to be predominantly within or outside of North America at the time the contract is signed, and (iii) all aircraft operated by non-North American airlines and under a contract are assigned to CA-ROW. All aircraft online for the CA-ROW segment are equipped with our satellite equipment.

- *Aircraft equivalents*. We define aircraft equivalents for a segment as the number of commercial aircraft online (as defined above) multiplied by the percentage of flights flown by such aircraft within the scope of that segment, rounded to the nearest whole aircraft and expressed as an average of the month end figures for each month in the period. This methodology takes into account the fact that during a particular period certain aircraft may fly routes outside the scope of the segment to which they are assigned for purposes of the calculation of aircraft online.

- *Net annualized average monthly service revenue per aircraft equivalent* (“ARPA”). We define net annualized ARPA as the aggregate service revenue plus monthly service fees, some of which are reported as a reduction to cost of service revenue for that segment for the period, less revenue share expense and other transactional costs which are included in cost of service revenue for that segment, divided by the number of months in the period, and further divided by the number of aircraft equivalents (as defined above) for that segment during the period, which is then annualized and rounded to the nearest thousand. Beginning with the three month period ended March 31, 2018, we changed the calculation of ARPA to be net of revenue share expense and other transactional expenses in order to better reflect the financial statement impact of revenues generated under both the turnkey model and airline-directed model. ARPA for the CA-NA and CA-ROW segments for the three month period ended March 31, 2017 was originally reported as $142 thousand and $202 thousand, respectively, and has been revised to $114 thousand and $179 thousand, respectively, to reflect the change in methodology.

Business Aviation

	For the Three Months Ended March 31,	
	2018	2017
Aircraft online (at period end)		
Satellite	5,288	5,508
ATG	4,803	4,341
Average monthly service revenue per aircraft online		
Satellite	$ 251	$ 224
ATG	3,037	2,797
Units Sold		
Satellite	104	88
ATG	250	189
Average equipment revenue per unit sold (in thousands)		
Satellite	$ 41	$ 47
ATG	62	56

- *Satellite aircraft online*. We define satellite aircraft online as the total number of business aircraft for which we provide satellite services as of the last day of each period presented.
- *ATG aircraft online.* We define ATG aircraft online as the total number of business aircraft for which we provide ATG services as of the last day of each period presented.
- *Average monthly service revenue per satellite aircraft online*. We define average monthly service revenue per satellite aircraft online as the aggregate satellite service revenue for the period divided by the number of months in the period, divided by the number of satellite aircraft online during the period (expressed as an average of the month end figures for each month in such period).
- *Average monthly service revenue per ATG aircraft online.* We define average monthly service revenue per ATG aircraft online as the aggregate ATG service revenue for the period divided by the number of months in the period, divided by the number of ATG aircraft online during the period (expressed as an average of the month end figures for each month in such period).
- *Units sold*. We define units sold as the number of satellite or ATG units for which we recognized revenue during the period. In the three months ended March 31, 2018, we recognized revenue on seven Gogo Biz 4G units, respectively, that were previously deferred.
- *Average equipment revenue per satellite unit sold*. We define average equipment revenue per satellite unit sold as the aggregate equipment revenue earned from all satellite units sold during the period, divided by the number of satellite units sold.
- *Average equipment revenue per ATG unit sold.* We define average equipment revenue per ATG unit sold as the aggregate equipment revenue from all ATG units sold during the period, divided by the number of ATG units sold.

Key Components of Consolidated Statements of Operations

There have been no material changes to our key components of unaudited condensed consolidated statements of operations and segment profit (loss) as described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") in our 2017 10-K.

Off-Balance Sheet Arrangements

We do not have any obligations that meet the definition of an off-balance sheet arrangement, other than operating leases, which have or are reasonably likely to have a material effect on our results of operations. See Note 11, "Leases" to our unaudited condensed consolidated financial statements for further information.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our unaudited condensed consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of our unaudited condensed consolidated financial statements and related disclosures require us to make estimates, assumptions and judgments that affect the reported amount of assets, liabilities, revenue, costs and expenses, and related exposures. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. In some instances, we could reasonably use different accounting estimates, and in some instances results could differ significantly from our estimates. We evaluate our estimates and assumptions on an ongoing basis. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

Revenue Recognition:

We account for revenue in accordance with ASC 606 and our CA-NA and CA-ROW airline-directed contracts contain multiple performance obligations, which primarily include the sale of equipment, installation services, connectivity services and entertainment services. For these contracts, we account for each distinct good or service as a separate performance obligation. We allocate the contract's transaction price to each performance obligation using the relative standalone selling price, which is based on the actual selling price for any good or service sold separately to a similar class of customer, if available. To the extent a good or service is not sold separately, we use our best estimate of the standalone selling price and maximize the use of observable inputs. The primary method we use to estimate the standalone selling price is the expected cost-plus margin approach.

The contractual consideration used for allocation purposes includes connectivity and entertainment services, which may be based on a fixed monthly fee per aircraft or a variable fee based on the volume of connectivity activity, or a combination of both. Examples of variable consideration within our contracts include megabyte overages and pay-per-use sessions.

We constrain our estimates to reduce the probability of a significant revenue reversal in future periods, allocate variable such consideration to the identified performance obligations and recognize revenue in the period the services are provided. Our estimates are based on historical experience, anticipated future performance, market conditions and our best judgment at the time.

A significant change in one or more of these estimates could affect our estimated contract value. For example, estimates of variable revenue within certain contracts require estimation of the number of sessions or megabytes that will be purchased over the contract term. Estimated revenue under these contracts anticipates increases in take rates over time consistent with our historical experience. Our estimated contract revenue may differ significantly from our initial estimates to the extent actual take rates differ from our historical experience.

As such, we regularly review and update our estimates and recognize adjustments under the cumulative catch-up method. Any adjustments under this method is recorded as a cumulative adjustment in the period identified and revenue for future periods is recognized using the new adjusted estimate.

See Note 3, "Revenue Recognition," for additional information.

We believe that the assumptions and estimates associated with revenue recognition, long-lived assets, indefinite-lived assets and stock-based compensation have the greatest potential impact on our unaudited condensed consolidated financial statements. Therefore, we consider these to be our critical accounting policies and estimates.

Other than the addition of revenue recognition noted above, there have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates described in MD&A in our 2017 10-K.

Recent Accounting Pronouncements

See Note 2, "Recent Accounting Pronouncements," to our unaudited condensed consolidated financial statements for additional information.

Results of Operations

The following table sets forth, for the periods presented, certain data from our unaudited condensed consolidated statements of operations. The information contained in the table below should be read in conjunction with our unaudited condensed consolidated financial statements and related notes.

Unaudited Condensed Consolidated Statement of Operations Data
(in thousands)

	For the Three Months Ended March 31, 2018	2017
Revenue:		
Service revenue	$150,678	$146,495
Equipment revenue	81,147	18,911
Total revenue	231,825	165,406
Operating expenses:		
Cost of service revenue (exclusive of items shown below)	74,947	64,813
Cost of equipment revenue (exclusive of items shown below)	52,293	11,648
Engineering, design and development	29,777	36,264
Sales and marketing	15,901	14,395
General and administrative	25,159	22,549
Depreciation and amortization	35,919	30,435
Total operating expenses	233,996	180,104
Operating loss	(2,171)	(14,698)
Other (income) expense:		
Interest income	(1,076)	(545)
Interest expense	30,554	26,943
Other (income) expense	(505)	38
Total other expense	28,973	26,436
Loss before income taxes	(31,144)	(41,134)
Income tax provision (benefit)	(3,725)	233
Net loss	$ (27,419)	$ (41,367)

Three Months Ended March 31, 2018 and 2017

Revenue:

Revenue by segment and percent change for the three month periods ended March 31, 2018 and 2017 were as follows *(in thousands, except for percent change)*:

	For the Three Months Ended March 31, 2018	For the Three Months Ended March 31, 2017	% Change 2018 over 2017
Service Revenue:			
CA-NA	$ 88,783	$ 97,145	(8.6%)
BA	47,650	39,982	19.2%
CA-ROW	14,245	9,368	52.1%
Total Service Revenue	$150,678	$146,495	2.9%
Equipment Revenue:			
CA-NA	$ 55,038	$ 1,671	3,193.7%
BA	21,185	16,322	29.8%
CA-ROW	4,924	918	436.4%
Total Equipment Revenue	$ 81,147	$ 18,911	329.1%
Total Revenue:			
CA-NA	$143,821	$ 98,816	45.5%
BA	68,835	56,304	22.3%
CA-ROW	19,169	10,286	86.4%
Total Revenue	$231,825	$165,406	40.2%

Commercial Aviation North America:

CA-NA revenue increased to $143.8 million for the three month period ended March 31, 2018 as compared with $98.8 million for the prior year period, primarily due to an increase in equipment revenue offset in part by a decrease in service revenue.

Equipment revenue increased to $55.0 million for the three month period ended March 31, 2018 as compared with $1.7 million for the prior year period due to the accounting impact of the transition of one of our airline agreements from the turnkey model to the airline-directed model in January 2018 and the post adoption impact of ASC 606. The accounting impact of the transition to the airline-directed model by one airline was approximately $45.4 million for the three month period ended March 31, 2018; see Note 1, “Basis of Presentation” for additional information. The remaining increase was due to equipment shipments during the three month period ended March 31, 2018.

A summary of the components of CA-NA’s service revenue for the three month periods ended March 31, 2018 and 2017 is as follows *(in thousands, except for percent change)*:

	For the Three Months Ended March 31, 2018	For the Three Months Ended March 31, 2017	% Change 2018 over 2017
Passenger Connectivity revenue *(1)*	$82,040	$ 91,438	(10.3%)
Passenger Entertainment and CAS revenue	6,743	5,707	18.2%
Total service revenue	$88,783	$ 97,145	(8.6%)

(1) Includes non-session related revenue of $1.3 million and $2.5 million, respectively, for the three month periods ended March 31, 2018 and 2017.

CA-NA service revenue decreased to $88.8 million for the three month period ended March 31, 2018 as compared with $97.1 million due to a decrease in passenger connectivity revenue offset in part by an increase in passenger entertainment and CAS revenue.

CA-NA Passenger Connectivity revenue decreased to $82.0 million for the three month period ended March 31, 2018 as compared with $91.4 million for the prior year period due to a decrease in passenger-paid revenue offset in part by an increase in airline-paid revenue, which was due primarily to the transition by one of our airline partners to the airline-directed model from the turnkey model. Under the turnkey model, we are required to pay each airline a percentage of the service revenue we generate from transactions with the airline's passengers. The revenue share expense is included within cost of service revenue. However, under the airline-directed model, we generate revenue directly from the airline and do not incur revenue share expense. Therefore, the decrease in service revenue under the airline-directed model is offset by a reduction to our revenue share expense within cost of service revenue. We refer to this internally as "differences in business terms". Service revenue also decreased due to the economic impact of the same airline's implementation of the airline-directed model.

Net annualized ARPA decreased to $103 thousand for the three months ended March 31, 2018 as compared with $114 thousand for the prior year period. The connectivity take rate increased to 10.5% for the three month period ended March 31, 2018 as compared with 8.3% for the prior year period, reflecting increased passenger adoption including the impact of third party-paid and airline-paid offerings. ARPS decreased to $7.72 for the three month period ended March 31, 2018 as compared with $11.17 for the prior year period, due to shifts in product mix, third party-paid and airline-paid offerings, as well as the differences in business terms and the economic impact of the airline's implementation of the airline-directed model, as discussed above.

The increase in Passenger Entertainment and CAS revenue to $6.7 million for the three month period ended March 31, 2018 as compared with $5.7 million for the prior year period was due to increased usage of Passenger Entertainment services under business-to-business arrangements with our airline partners.

While we expect service revenue to increase in the long-term, we expect service revenue for CA-NA to decrease in the near-term due to the differences in business terms as a result of one airline transitioning to the airline-directed model and the decommissioning of certain American Airlines aircraft during 2018.

As the recognition of CA-NA equipment revenue is a function of equipment installation schedules, equipment revenue growth will be driven by our ability to execute our existing airline partner contracts as well entering into new contracts.

Business Aviation:

BA revenue increased to $68.8 million for the three month period ended March 31, 2018 as compared with $56.3 million for the prior year period primarily due to increases in both service and equipment revenue.

BA service revenue increased 19.2% to $47.7 million for the three month period ended March 31, 2018 as compared with $40.0 million for the prior year period primarily due to additional customers subscribing to our Gogo Biz (ATG) service. The number of ATG aircraft online increased 10.6% to 4,803 as of March 31, 2018, as compared with 4,341 as of March 31, 2017.

BA equipment revenue increased 29.8% to $21.2 million for the three month period ended March 31, 2018 as compared with $16.3 million for the prior year period due primarily to an increase in ATG equipment revenue and to a lesser extent an increase in satellite equipment revenue.

Under a sales program for AVANCE (formerly referred to as Gogo Biz 4G) equipment that started in 2016, we have a remaining deferred equipment revenue balance of approximately $4.4 million as of March 31, 2018 related to a free upgrade program under which we shipped ATG and UCS equipment to customers who have a right to exchange that equipment for AVANCE equipment. During the three month period ended March 31, 2018, we shipped seven AVANCE units under this program and recognized $0.5 million of previously deferred equipment revenue. We will recognize the remaining deferred revenue upon the earlier of the shipment of the AVANCE equipment or the expiration of the free upgrade period.

Commercial Aviation Rest of World:

CA-ROW revenue increased to $19.2 million for the three month period ended March 31, 2018 as compared with $10.3 million for the prior year period, due to an increase in both service and equipment revenue.

CA-ROW service revenue increased to $14.2 million for the three month period ended March 31, 2018 as compared with $9.4 million for the prior year period, due to an increase in ARPA and to a lesser extent an increase in aircraft equivalents. Annualized net ARPA for the CA-ROW segment decreased to $159 thousand for three month period ended March 31, 2018 as compared with $179 thousand for the prior year period due to new airline partners' aircraft coming online during the three month period ended March 31, 2018.

CA-ROW equipment revenue increased to $4.9 million for the three month period ended March 31, 2018 as compared with $0.9 million for the prior year period due primarily due to equipment shipments during the three month period ended March 31, 2018.

As the recognition of CA-ROW equipment revenue is a function of equipment installation schedules, equipment revenue growth will be driven by our ability to execute our existing airline partner contracts as well entering into new contracts.

Cost of Service Revenue:

Cost of service revenue by segment, percent change and cost of service revenue as a percent of service revenue for the three month periods ended March 31, 2018 and 2017 were as follows *(in thousands, except for percent change)*:

	For the Three Months Ended March 31,		% Change
	2018	2017	2018 over 2017
CA-NA	$46,553	$ 36,747	26.7%
BA	11,114	9,509	16.9%
CA-ROW	17,280	18,557	(6.9%)
Total	$74,947	$ 64,813	15.6%

CA-NA cost of service revenue increased to $46.6 million for the three month period ended March 31, 2018 as compared with $36.7 million for the prior year period due to increases in network operations expenses (including satellite service fees), aircraft operations expenses and a decrease in the amortization of deferred airborne lease incentives offset in part by a decrease in revenue share expense. The changes in amortization of deferred airborne lease incentives and revenue share was due primarily to the transition of one of our airline agreements from the turnkey model to the airline-directed model. See Note 11, “Leases” to our consolidated financial statements for additional information regarding our deferred airborne lease incentives.

BA cost of service revenue increased to $11.1 million for the three month period ended March 31, 2018 as compared with $9.5 million for the prior year period. The increase was primarily due to increased ATG units online and an increase in the average network consumption per ATG unit online which resulted in higher ATG network service costs and, to a lesser extent, an increase in satellite service fees.

CA-ROW cost of service revenue decreased to $17.3 million for the three month period ended March 31, 2018 as compared with $18.6 million in the prior year period primarily due to a decrease in certain airline launch costs offset in part by increases in network operations expenses and aircraft operations expenses as the business continues to grow.

We expect CA-NA cost of service revenue to stabilize in the near-term, but expect it to increase over time mainly due to increased satellite service fees for additional aircraft operating on our satellite network.

As we expand our CA-ROW business, we expect to incur additional cost of service revenue in CA-ROW, reflecting increased satellite usage, operations and network related expenses. However, we expect to see increased utilization of our network as we install additional aircraft.

Cost of Equipment Revenue:

Cost of equipment revenue by segment and percent change for the three month periods ended March 31, 2018 and 2017 were as follows *(in thousands, except for percent change)*:

	For the Three Months Ended March 31,		% Change
	2018	2017	2018 over 2017
CA-NA	$35,486	$ 1,367	2,495.9%
BA	12,456	9,637	29.3%
CA-ROW	4,351	644	575.6%
Total	$52,293	$ 11,648	348.9%

Cost of equipment revenue increased to $52.3 million for the three month period ended March 31, 2018 as compared with $11.6 million for the prior year period.

The increase in CA-NA was due to the accounting impact of the transition of one of our airline partners from the turnkey model to the airline-directed model in January 2018 and also due to the adoption of ASC 606. The accounting impact of the transition to the airline-directed model by one airline was approximately $26.1 million; see Note 1, “Basis of Presentation” for additional information. The remaining increase was due to the increase in equipment revenue.

The increase in BA was due to an increase in equipment revenue and changes in product mix.

The increase in CA-ROW was due to the increase in equipment revenue.

We expect that our cost of equipment revenue will vary with changes in equipment revenue.

Engineering, Design and Development Expenses:

Engineering, design and development expenses decreased 17.9% to $29.8 million for the three month period ended March 31, 2018 as compared with $36.3 million for the prior year due to a decrease in CA-NA offset in part by an increase in both CA-ROW and BA.

Engineering, design and development expenses for the CA-NA segment decreased due to the recognition of approximately $9.4 million of expenses during the three month period ended March 31, 2017, related to the development of our next generation ATG solution (“ATG-NG”), primarily due to the achievement of a major milestone, while no such milestone occurred during the three month period ended March 31, 2018. Engineering, design and development expenses for CA-ROW and BA increased due to higher personnel expense and outside services in connection with the development of new products and technologies and obtaining STCs.

We expect consolidated engineering, design and development expenses to decrease as a percentage of consolidated revenue over time.

Sales and Marketing Expenses:

Sales and marketing expenses increased 10.5% to $15.9 million for the three month period ended March 31, 2018 as compared with $14.4 million for the prior year period due to increases in all three segments. Consolidated sales and marketing expenses as a percentage of total consolidated revenue was 6.9% for the three month period ended March 31, 2018 as compared with 8.7% for the prior year period.

We expect our sales and marketing expenses to increase in future periods as we expand our international marketing initiatives, commence service on aircraft operated by new and existing airline partners in both CA-NA and CA-ROW, increase advertising and promotional initiatives for new product offerings (particularly in BA) and expand programs to retain and support our existing users. We expect consolidated sales and marketing expenses to decrease as a percentage of consolidated revenue over time.

General and Administrative Expenses:

General and administrative expenses increased 11.6% to $25.2 million for the three month period ended March 31, 2018 as compared with $22.5 million for the prior year period due to increases in all three segments, primarily due to increases in personnel related expenses. Consolidated general and administrative expenses as a percentage of total consolidated revenue was 10.9% for the three month period ended March 31, 2018 as compared with 13.6% for the prior year period.

We expect general and administrative expenses to decrease as a percentage of consolidated revenue as we realize economies of scale.

Segment Profit (Loss):

CA-NA’s segment profit decreased 85.2% to $1.7 million for the three month period ended March 31, 2018 as compared with $11.2 million for the prior year period due to increases in cost of service revenue, cost of equipment revenue, sales and marketing expenses and general and administrate expenses and a decrease in service revenue, partially offset by an increase in equipment revenue and a decrease engineering, design and development expenses, as discussed above.

BA’s segment profit increased 23.8% to $32.3 million for the three month period ended March 31, 2018 as compared with $26.1 million for the prior year period primarily due to increases in service and equipment revenue, partially offset by increases in operating expenses, as discussed above.

CA-ROW's segment loss decreased 14.9% to $22.6 million for the three month period ended March 31, 2018 as compared with $26.6 million for the prior year period due to increases in service and equipment revenue, partially offset by increases in operating expenses, as discussed above.

Depreciation and Amortization:

Depreciation and amortization expense increased 18.0% to $35.9 million for the three month period ended March 31, 2018 as compared with $30.4 million for the prior year period due to the increase in the number of aircraft outfitted with our airborne equipment by our CA-ROW and CA-NA segments and amortization of capitalized software. These increases were partially offset by the transition of one of our airline agreements from the turnkey model to the airline-directed model.

We expect our depreciation and amortization expense to decrease slightly in 2018 as compared with 2017 as many of the accelerated depreciation programs will complete in 2018 and a greater percentage of installs will be under the airline-directed model.

Other (Income) Expense:

Other (income) expense and percent change for the three month periods ended March 31, 2018 and 2017 were as follows *(in thousands, except for percent change)*:

	For the Three Months Ended March 31,		% Change 2018 over 2017
	2018	2017	
Interest income	$ (1,076)	$ (545)	97.4%
Interest expense	30,554	26,943	13.4%
Other (income) expense	(505)	38	n/a
Total	$28,973	$26,436	9.6%

Total other expense was $29.0 million for the three month period ended March 31, 2018 as compared with $26.4 million for the prior year period. Interest expense increased during the three month period ended March 31, 2018 as compared with the prior year period due to higher average debt levels outstanding during the current year as compared with the prior year period.

We expect our interest expense to increase due to higher average debt outstanding because of the issuances of the September 2017 Additional Notes and the associated amortization of deferred financing fees offset in part by the amortization of the debt premium. See Note 9, "Long-Term Debt and Other Liabilities," in our unaudited condensed consolidated financial statements for additional information.

Income Taxes:

The effective income tax rates for the three month periods ended March 31, 2018 and 2017 were 12.0% and (0.6%), respectively. An income tax benefit was recorded for the three-month period ended March 31, 2018 resulting from a reduction in our valuation allowance of approximately $4.0 million due to the application of provisions of H.R. 1, commonly known as the Tax Cuts and Jobs Act ("Tax Reform"), to our evaluation of our deferred tax assets. For the three-months ended March 31, 2017, our income tax expense was not significant primarily due to the recording of a valuation allowance against our net deferred tax assets.

We expect our income tax provision to increase in future periods to the extent we become profitable.

Non-GAAP Measures

In our discussion below, we discuss certain non-GAAP financial measurements, including Adjusted EBITDA and Cash CAPEX as defined below. Management uses Adjusted EBITDA and Cash CAPEX for business planning purposes, including managing our business against internally projected results of operations and measuring our performance and liquidity. These supplemental performance measures also provide another basis for comparing period to period results by excluding potential differences caused by non-operational and unusual or non-recurring items. These supplemental performance measurements may vary from and may not be comparable to similarly titled measures by other companies. Adjusted EBITDA and Cash CAPEX are not recognized measurements under accounting principles generally accepted in the United States, or GAAP, and when analyzing our performance with Adjusted EBITDA or liquidity with Cash CAPEX, as applicable, investors should (i) evaluate each adjustment in our reconciliation to net loss attributable to common stock, and the explanatory footnotes regarding those adjustments, (ii) use Adjusted EBITDA in addition to, and not as an alternative to, net loss attributable to common stock as a measure of operating results, and (iii) use Cash CAPEX in addition to, and not as an alternative to, consolidated capital expenditures when evaluating our liquidity.

Definition and Reconciliation of Non-GAAP Measures

EBITDA represents net income (loss) attributable to common stock before income taxes, interest income, interest expense, depreciation expense and amortization of other intangible assets.

Adjusted EBITDA represents EBITDA adjusted for (i) stock-based compensation expense, (ii) amortization of deferred airborne lease incentives, (iii) amortization of STC costs and (iv) the accounting impact of the transition to the airline-directed model. Our management believes that the use of Adjusted EBITDA eliminates items that, management believes, have less bearing on our operating performance, thereby highlighting trends in our core business which may not otherwise be apparent. It also provides an assessment of controllable expenses, which are indicators management uses to determine whether current spending decisions need to be adjusted in order to meet financial goals and achieve optimal financial performance.

We believe the exclusion of stock-based compensation expense from Adjusted EBITDA is appropriate given the significant variation in expense that can result from using the Black-Scholes model to determine the fair value of such compensation. The fair value of our stock options is determined using the Black-Scholes model and varies based on fluctuations in the assumptions used in this model, including inputs that are not necessarily directly related to the performance of our business, such as the expected volatility, the risk-free interest rate and the expected life of the options. Therefore, we believe the exclusion of this cost provides a clearer view of the operating performance of our business. Further, stock option grants made at a certain price and point in time do not necessarily reflect how our business is performing at any particular time. While we believe that investors should have information about any dilutive effect of outstanding options and the cost of that compensation, we also believe that stockholders should have the ability to consider our performance using a non-GAAP financial measure that excludes these costs and that management uses to evaluate our business.

We believe the exclusion of the amortization of deferred airborne lease incentives and amortization of STC costs from Adjusted EBITDA is useful as it allows an investor to view operating performance across time periods in a manner consistent with how management measures segment profit and loss (see Note 15, “Business Segments and Major Customers,” for a description of segment profit (loss) in our unaudited condensed consolidated financial statements). Management evaluates segment profit and loss in this manner, excluding the amortization of deferred airborne lease incentives and amortization of STC costs, because such presentation reflects operating decisions and activities from the current period, without regard to the prior period decision or the form of connectivity agreements.

We believe it is useful for an understanding of our operating performance to exclude the accounting impact of the transition by one of our airline partners to the airline-directed model from Adjusted EBITDA because of the non-recurring nature of this activity.

We also present Adjusted EBITDA as a supplemental performance measure because we believe that this measure provides investors, securities analysts and other users of our financial statements with important supplemental information with which to evaluate our performance and to enable them to assess our performance on the same basis as management.

Cash CAPEX represents capital expenditures net of airborne equipment proceeds received from the airlines. We believe Cash CAPEX provides a more representative indication of our liquidity requirements with respect to capital expenditures, as under certain agreements with our airline partners we are reimbursed for all or a substantial portion of the cost of our airborne equipment, thereby reducing our cash capital requirements.

Gogo Inc. and Subsidiaries
Reconciliation of GAAP to Non-GAAP Measures
(in thousands, except per share amounts)
(unaudited)

	For the Three Months Ended March 31, 2018	2017
Adjusted EBITDA:		
Net loss attributable to common stock (GAAP)	$(27,419)	$(41,367)
Interest expense	30,554	26,943
Interest income	(1,076)	(545)
Income tax provision (benefit)	(3,725)	233
Depreciation and amortization	35,919	30,435
EBITDA	34,253	15,699
Stock-based compensation expense	4,386	4,330
Amortization of deferred airborne lease incentives	(7,630)	(9,348)
Amortization of STC costs	172	—
Transition to airline-directed model	(19,302)	—
Adjusted EBITDA	$ 11,879	$ 10,681
Cash CAPEX:		
Consolidated capital expenditures (GAAP) *(1)*	$(62,658)	$(71,608)
Change in deferred airborne lease incentives *(2)*	(1,696)	3,616
Amortization of deferred airborne lease incentives *(2)*	7,516	9,309
Cash CAPEX	$(56,838)	$(58,683)

(1) See unaudited condensed consolidated statements of cash flows.
(2) Excludes deferred airborne lease incentives and related amortization associated with STC costs for the three month periods ended March 31, 2018 and 2017 as STC costs are expensed as incurred as part of Engineering, Design and Development.

Material limitations of Non-GAAP measures

Although EBITDA, Adjusted EBITDA and Cash CAPEX are measurements frequently used by investors and securities analysts in their evaluations of companies, EBITDA, Adjusted EBITDA and Cash CAPEX each have limitations as an analytical tool, and you should not consider them in isolation or as a substitute for, or more meaningful than, amounts determined in accordance with GAAP.

Some of these limitations include:

- EBITDA and Adjusted EBITDA do not reflect interest income or expense;
- EBITDA and Adjusted EBITDA do not reflect cash requirements for our income taxes;
- EBITDA and Adjusted EBITDA do not reflect depreciation and amortization, which are significant and unavoidable operating costs given the level of capital expenditures needed to maintain our business;
- Adjusted EBITDA does not reflect non-cash components of employee compensation;
- Cash CAPEX does not reflect the full extent of capital investments we have made in our operations; and
- since other companies in our or related industries may calculate these measures differently from the way we do, their usefulness as comparative measures may be limited.

Liquidity and Capital Resources

The following table presents a summary of our cash flow activity for the periods set forth below *(in thousands)*:

	For the Three Months Ended March 31, 2018	2017
Net cash used in operating activities	$ (46,205)	$ (14,047)
Net cash used in investing activities	(32,499)	(66,406)
Net cash provided by (used in) financing activities	(688)	68,938
Effect of foreign exchange rate changes on cash	75	142
Net decrease in cash, cash equivalents and restricted cash	(79,317)	(11,373)
Cash, cash equivalents and restricted cash at the beginning of period	203,729	125,189
Cash, cash equivalents and restricted cash at the end of period	$124,412	$113,816
Supplemental information:		
Cash, cash equivalents and restricted cash at the end of period	$124,412	$113,816
Less: current restricted cash	738	614
Less: non-current restricted cash	6,635	7,273
Cash and cash equivalents at the end of the period	$117,039	$105,929
Short-term investments	$182,633	$333,275

We have historically financed our growth and cash needs primarily through the issuance of common stock, non-convertible debt, senior convertible preferred stock, convertible debt, term facilities and cash from operating activities. We continually evaluate our ongoing capital needs in light of increasing demand for our services, capacity requirements, evolving technologies in our industry and related strategic, operational and technological opportunities. We actively consider opportunities to raise additional capital in the public and private markets utilizing one or more of the types of capital raising transactions through which we have historically financed our growth and cash needs, as well as other means of capital raising not previously used by us.

Liquidity:

Although we can provide no assurances, we currently believe that cash, cash equivalents and short-term investments on hand as of March 31, 2018 will be sufficient to meet our working capital and capital expenditure requirements for at least the next twelve months, including costs associated with installing our airborne equipment on certain aircraft operated by our airline partners, continuing our international expansion and developing our next generation ATG solution. Excluding the impact of our initial public offering in June 2013, the Amended and Restated Senior Term Facility, the Convertible Notes and the Senior Secured Notes, we have not generated positive cash flows on a consolidated basis, and our ability to do so will depend in large part on our ability to increase revenue in each of our three business segments. In addition, our ability to generate positive cash flows from operating activities and the timing of certain capital and other necessary expenditures are subject to numerous variables, such as costs related to international expansion and execution of our current technology roadmap, including 2Ku, ATG-NG and other potential future technologies. We currently believe that cash on hand, comprised of cash, cash equivalents and short-term investments, and cash flows provided by operating activities and, if necessary, additional equity financings or the incurrence of additional debt, will be sufficient to meet our liquidity needs in the longer-term, including our continued international expansion and execution of our current technology roadmap. The Indenture governing our Senior Secured Notes contains covenants that limit the ability of GIH and its subsidiaries to incur additional indebtedness. Additionally, the Indenture governing the Senior Secured Notes limits the amount of cash GIH and its subsidiaries may distribute to us, including cash distributed to us to pay interest on the Convertible Notes, to pay any interest on indebtedness incurred, or pay dividends on preferred stock issued by us to refinance, replace, renew or refund the Convertible Notes. Further, market conditions and/or our financial performance may limit our access to additional sources of equity or debt financing. As a result, we may be unable to finance growth of our business to the extent that our cash on hand (including short-term investments) and cash generated through operating activities prove insufficient and we are unable to raise additional financing through the issuance of our equity or through permitted incurrences of debt by us or by GIH and its subsidiaries.

For additional information on our Senior Secured Notes and Convertible Notes, please see Note 9, “Long-Term Debt and Other Liabilities” to our unaudited condensed consolidated financial statements.

Cash flows used in Operating Activities:

The following table presents a summary of our cash flows from operating activities for the periods set forth below *(in thousands)*:

	For the Three Months Ended March 31,	
	2018	2017
Net loss	$(27,419)	$(41,367)
Non-cash charges and credits	24,401	42,651
Changes in operating assets and liabilities	(43,187)	(15,331)
Net cash provided by (used in) operating activities	$(46,205)	$(14,047)

For the three month period ended March 31, 2018, cash used in operating activities was $46.2 million as compared with $14.0 million of cash used in operating activities in the prior year period. The principal contributors to the change in operating cash flows were:

- A $27.9 million change in cash flows related to operating assets and liabilities resulting from:
  - A decrease in cash flows due to the following:
    - Changes in CA-NA's and CA-ROW's inventories as we now allocate a portion of our uninstalled airborne equipment to inventory. See Note 5, "Inventories," for additional information;
    - Changes in CA-NA's and CA-ROW's deferred airborne lease incentives due to more installations under the turnkey model in 2017 as compared with 2018, as airlines are transitioning to the airline-directed model and as new airlines are being signed under the airline-directed model;
    - Changes in CA-NA's and CA-ROW's accounts receivable due to the timing of collections; and
    - Changes in CA-NA's prepaid expenses as we recognized development services in 2017, while we had no similar activities in 2018;
  - Offset in part by an increase in cash flows due to the following:
    - Changes in all three segments' accrued liabilities due primarily to the timing of payments;
    - Changes in BA's inventory due to inventory builds during 2017 while inventory decreased slightly during 2018;
    - Changes in CA-NA's and CA-ROW's deferred revenue as more activities in 2018 as compared with 2017; and
    - Changes in CA-NA's accounts payable due to the timing of payments.
- A $4.3 million change in net loss adjusted for non-cash charges and credits.

Cash flows used in Investing Activities:

Cash used in investing activities is primarily for capital expenditures related to airborne equipment, cell site construction, software development, and data center upgrades. See "—Capital Expenditures" below. Additionally, cash used in investing activities includes net changes in our short-term investments of a cash inflow of $30.2 million and $5.2 million, respectively, for the three month periods ended March 31, 2018 and 2017.

Cash flows provided by (used in) Financing Activities:

Cash used in financing activities for the three month period ended March 31, 2018 was $0.7 million primarily due to capital lease payments.

Cash provided by financing activities for the three month period ended March 31, 2017 was $68.9 million primarily due to the issuance of $70.2 million of Senior Secured Notes, partially offset by the payment of debt issuance costs of $1.1 million and capital lease payments of $0.7 million.

Capital Expenditures

Our operations continue to require significant capital expenditures, primarily for technology development, equipment and capacity expansion. Capital expenditures for the CA-NA and CA-ROW segments include the purchase of airborne equipment, which correlates directly to the roll out and/or upgrade of service to our airline partners' fleets. Capital spending is also associated with the expansion of our ATG network and data centers and includes site acquisition, design, permitting, network equipment and construction costs. We capitalize software development costs related to network technology solutions, the Gogo platform and new product/service offerings. We also capitalized costs related to the build out of our office locations.

Capital expenditures for the three month periods ended March 31, 2018 and 2017 were $62.7 million and $71.6 million, respectively. The decrease in capital expenditures was primarily due to a decrease in airborne equipment purchases as we now allocated a portion of our equipment purchases to inventory (see Note 5, "Inventories" for additional information) and to a lesser extent a decrease in capitalized software.

We expect our capital expenditures, net of deferred airborne lease incentives, to decrease in 2018 as compared with 2017 primarily due to decreased turnkey model related activities, under which airborne equipment purchases are treated as capital expenditures. The airborne equipment purchases for our airline-directed model activities are treated as inventory activities within operating cash flows. We expect total expenditures of airborne equipment (including both operating or investing activities) to decrease in 2018 as compared with 2017 due to utilization of airborne equipment purchased during 2017 for 2018 installations.

Contractual Commitments: We have agreements with vendors to provide us with transponder and teleport satellite services. These agreements vary in length and amount and as of March 31, 2018 commit us to purchase transponder and teleport satellite services totaling approximately $65.8 million in 2018 (April 1 through December 31), $89.1 million in 2019, $89.8 million in 2020, $77.5 million in 2021, $73.9 million in 2022 and $227.6 million thereafter.

We have agreements with various vendors under which we have remaining commitments to purchase satellite-based systems, certifications and development services. Such commitments will become payable as we receive the equipment or certifications, or as development services are provided.

Leases and Cell Site Contracts: We have lease agreements relating to certain facilities and equipment, which are considered operating leases. Additionally, we have operating leases with wireless service providers for tower space and base station capacity on a volume usage basis ("cell site leases"), some of which provide for minimum annual payments. See Note 11, "Leases," to our unaudited condensed consolidated financial statements for additional information.

For the airline agreements where the equipment transactions are accounted for as operating leases of space, the revenue share paid to our airline partners represents operating lease payments. They are deemed to be contingent rental payments, as the payments due to each airline are based on a percentage of our CA-NA and CA-ROW service revenue generated from that airline's passengers, which is unknown until realized. As such, we cannot estimate the lease payments due to an airline at the commencement of our contract with such airline. This rental expense is included in cost of service revenue and is offset by the amortization of the deferred airborne lease incentive discussed above. See Note 11, "Leases," to our unaudited condensed consolidated financial statements for additional information**.**

A contract with one of our airline partners requires us to provide the airline partner with a cash rebate of $1.8 million in June 2018.

Indemnifications and Guarantees: In accordance with Delaware law, we indemnify our officers and directors for certain events or occurrences while the officer or director is, or was, serving at our request in such capacity. The maximum potential amount of future payments we could be required to make under this indemnification is uncertain and may be unlimited, depending upon circumstances. However, our Directors' and Officers' insurance does provide coverage for certain of these losses.

In the ordinary course of business we may occasionally enter into agreements pursuant to which we may be obligated to pay for the failure of performance of others, such as the use of corporate credit cards issued to employees. Based on historical experience, we believe that the risk of sustaining any material loss related to such guarantees is remote.

We have entered into a number of agreements, including our agreements with commercial airlines, pursuant to which we indemnify the other party for losses and expenses suffered or incurred in connection with any patent, copyright, or trademark infringement or misappropriation claim asserted by a third party with respect to our equipment or services. The maximum potential amount of future payments we could be required to make under these indemnification agreements is uncertain and is typically not limited by the terms of the agreements.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

Our exposure to market risk is currently confined to our cash and cash equivalents, short-term investments and our debt. We have not used derivative financial instruments for speculation or trading purposes. The primary objectives of our investment activities are to preserve our capital for the purpose of funding operations while at the same time maximizing the income we receive from our investments without significantly increasing risk. To achieve these objectives, our investment policy allows us to maintain a portfolio of cash equivalents and short-term investments through a variety of securities, including U.S. Treasuries, U.S. Government Agency Securities, and Money Market Funds. Our cash and cash equivalents as of March 31, 2018 and December 31, 2017 primarily included amounts in bank checking accounts and Money Market Funds. We believe that a change in average interest rates would not materially affect our interest income and results of operations.

The risk inherent in our market risk sensitive instruments and positions is the potential loss arising from interest rates as discussed below. The sensitivity analyses presented do not consider the effects that such adverse changes may have on the overall economic activity, nor do they consider additional actions we may take to mitigate our exposure to such changes. Actual results may differ.

Interest: Our earnings are affected by changes in interest rates due to the impact those changes have on interest income generated from our cash, cash equivalents and short-term investments. Our cash and cash equivalents as of March 31, 2018 and December 31, 2017 included amounts in bank checking accounts and money market funds, and our short-term investments consist of U.S. Treasury bills. We believe we have minimal interest rate risk; a 10% change in the average interest rate on our portfolio would have reduced interest income for the three month periods ended March 31, 2018 and 2017 by an immaterial amount.

Inflation: We do not believe that inflation has had a material effect on our results of operations. However, there can be no assurance that our business will not be affected by inflation in the future.

Seasonality: Our results of operations for any interim period are not necessarily indicative of those for any other interim period for the entire year because the demand for air travel, including business travel, is subject to significant seasonal fluctuations. We generally expect overall passenger opportunity to be greater in the second and third quarters compared to the rest of the year due to an increase in leisure travel offset in part by a decrease in business travel during the summer months and holidays. We expect seasonality of the air transportation business to continue, which may affect our results of operations in any one period.

ITEM 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Management, with the participation of our Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) as of March 31, 2018. Based upon this evaluation, our Chief Executive Officer and the Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of March 31, 2018.

(b) Changes in Internal Control over Financial Reporting

There have been no changes to our internal control over financial reporting in connection with the evaluation required by Rules 13a-15(f) and 15d-15(f) under the Exchange Act during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

On April 20, 2018, Linksmart Wireless Technology, LLC filed suit against us and eight of our airline partners in the U.S. District Court for the Central District of California alleging that our redirection server and login portal infringe a patent owned by the plaintiff. We are required under our contracts with these airlines to indemnify them for defense costs and any liabilities resulting from the suit. Given the very early stage of this litigation, we are unable to assess the merits of the claim, and the outcome of this matter is inherently uncertain.

From time to time we may become involved in other legal proceedings arising in the ordinary course of our business. We cannot predict with certainty the potential for or outcome of any future litigation. Regardless of the outcome of any particular litigation and the merits of any particular claim, litigation can have a material adverse impact on our company due to, among other reasons, any injunctive relief granted, which could inhibit our ability to operate our business, amounts paid as damages or in settlement of any such matter, diversion of management resources and defense costs.

ITEM 1A. Risk Factors

Except as set forth below, there have been no material changes to the risk factors previously disclosed in our 2017 10-K.

We depend upon third parties, many of which are single-source providers, to manufacture equipment components, provide services for our network and install and maintain our equipment.

We rely on third-party suppliers for equipment components and services that we use to provide our ATG and satellite services. Many suppliers of critical components of our equipment are single-source providers. Components for which we rely on single-source suppliers include, among others, the antennas and modems for all systems, the radomes for our satellite systems and the equipment used at our ATG and ATG-NG cell site base stations. If we are required for any reason (including expiration of the contract, legal or regulatory action, termination by one party for material breach or other termination events) to find one or more alternative suppliers, we estimate that the replacement process could take up to two years depending upon the component, and we may not be able to contract with such alternative suppliers on a timely basis, on commercially reasonable terms, or at all. Finding and contracting with suppliers of some components may be delayed or made more difficult by current suppliers' ownership of key intellectual property that requires alternative suppliers to either obtain rights to such intellectual property or develop new designs that do not infringe on such intellectual property. In addition, many of our components, such as the equipment used in our base stations, are highly integrated with other system components, which may further lengthen the time required for an alternative supplier to deliver a component that meets our system requirements. The single-source provider from which we historically purchased modems for our ATG and ATG-4 systems recently determined to stop manufacturing such modems. We intend to transition to a new mobile network technology but need a supply of modems compatible with the existing technology until the transition occurs. We intend to contract with a supplier to provide such modems under a license from the previous supplier. Due to the necessity of certain design changes and other factors, there can be no assurance that modems supplied by the new provider will be delivered on a schedule at the times or in the amounts needed to meet our needs. We also rely on a third party to provide the links between our data centers and our ground network. If we are not able to continue to engage suppliers with the capabilities or capacities required by our business, or if such suppliers fail to deliver quality products, parts, equipment and services in sufficient quantities or on a timely basis consistent with our schedule, our business, financial condition and results of operations may be materially adversely affected.

ZTE USA, Inc. ("ZTE USA") has historically developed, supplied and supported the base stations and associated core network elements used in our current ATG network. In addition, ZTE USA is developing and has agreed to supply the base stations, associated core network elements and modems for our ATG-NG network. Recently, the U.S. Commerce Department's Bureau of Industry and Security issued a denial order that prohibits China-based affiliates of ZTE USA (together with ZTE USA, "ZTE") from directly or indirectly participating in any transaction involving certain technology exported from the United States. The prohibited transactions include among others buying, selling, delivering, transporting and servicing. The prohibition will remain in effect until March of 2025. We are currently evaluating the impact of the denial order on our business. If ZTE is unable to perform its obligations under our existing contracts, we may be required to contract with a new supplier or suppliers for the equipment and/or services previously provided by ZTE for our existing ATG-4 network and for the development, supply, support and other services required for the further development and launch of ATG-NG. If we are unable to timely identify one or more alternate suppliers adequate to meet our needs and to negotiate commercially reasonable terms, our business, financial condition and results of operations may be materially adversely affected. In addition, we have incurred material operating and capital expenditures for ZTE's development work for ATG-NG. If ZTE is unable to complete the development of ATG-NG and we are not able to repurpose such development work with a new supplier or recover all or a significant portion of such expenditures from ZTE, our financial condition may be materially adversely affected.

In our CA business, installation and maintenance of our airborne ATG and satellite equipment is performed by employees of third-party service providers with whom we contract, and in some cases, our airline partners can elect to have their own employees or a third-party service provider of their choice install our equipment. In our BA segment, installation of our equipment is performed by the OEMs or dealers who purchase our equipment. Having third parties or our customers install or maintain our equipment reduces our control over the processes, including timeliness and quality. If there is an equipment failure, including due to problems with the installation or maintenance processes, our reputation and our relationships with our customers could be harmed. The passenger jets operated by our airline partners are very costly to repair and therefore damages for claims related to faulty installation or maintenance could be material. Additionally, we may be forced to pay significant remediation costs and/or penalties to airlines to cover equipment failure due to installation or maintenance problems and we may not be able to be indemnified for these costs.

The supply of third party components and services could be interrupted or halted by a termination of our relationships, a failure of quality control or other operational problems at such suppliers or a significant decline in their financial condition. If we are not able to continue to engage suppliers with the capabilities or capacities required by our business, or if such suppliers fail to deliver quality products, parts, equipment and services on a timely basis consistent with our schedule, our business, financial condition and results of operations may be materially adversely affected.

Our agreements with our equipment and service providers may contain terms, such as those related to termination, pricing and service levels and related penalties, that are not consistent with our obligations under our agreements with customers that rely on such equipment for connectivity. Such misalignment could cause us to be in breach of such customer agreements, and we may be unable to seek indemnification for such losses from our providers. Further, if our suppliers were to increase their prices and we could not pass these increased costs on to our customers, it would increase our cost of service revenue, which may have a material adverse effect on our business and results of operations.

Risks related to actions on trade by the U.S. and foreign governments.

The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the U.S. government has initiated or is considering imposing tariffs on certain foreign goods, and related to this action, certain foreign governments, including China, have instituted or are considering imposing tariffs on certain U.S. goods. It remains unclear what the U.S. government or foreign governments will or will not do with respect to tariffs or other international trade agreements and policies. A trade war or other governmental action related to tariffs or international trade agreements or policies has the potential to adversely impact our supply chain and foreign demand for our products and services and, thus, to have a material adverse effect on our business and results of operations.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) Sales of Unregistered Securities

None.

b) Use of Proceeds from Public Offering of Common Stock

None.

ITEM 3. Defaults Upon Senior Securities

None.

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ITEM 4. Mine Safety Disclosures

None.

ITEM 5. Other Information

Effective May 1, 2018, Anand Chari resigned as Executive Vice President and Chief Technology Officer. Pursuant to a transition agreement, dated May 1, 2018, between Gogo LLC and Mr. Chair, Mr. Chari will receive the following benefits: (i) a payment of $32,877 in lieu of the requirement to provide 30 days' notice of termination, (ii) payment of his salary, and reimbursement for any business expenses incurred, through May 1, 2018, (iii) a severance payment of $400,000, less any required tax withholdings, (iv) reimbursement of COBRA health insurance premiums for the 13-month period beginning on May 1, 2018 and (iv) a one-time payment of $15,000. In addition, subject to Mr. Chari's continued compliance with the terms of the transition agreement, the service agreement described below and the restricted covenants contained in his employment agreement, Mr. Chari will receive (a) continued vesting of his outstanding and unvested equity awards through May 31, 2019 or, if earlier, the date the service agreement is terminated and (b) continued exercisability of any vested options (or options that vest pursuant to his transition agreement) through the earlier of (x) 90 days following the service agreement termination date and (y) the tenth anniversary of the applicable grant date of the options. Any of Mr. Chari's equity awards that remain unvested on the service agreement termination date, and any vested options that remain unexercised at the end of the exercise period described above, will be forfeited, cancelled and terminated. The foregoing benefits are subject to Mr. Chari's execution of a general mutual release of all claims. Gogo LLC also entered into a service agreement, dated May 1, 2018, with an entity affiliated with Mr. Chari, NG SATS INC. d/b/a NGSATS, a Delaware corporation, pursuant to which Mr. Chari has been engaged as a strategic technology advisor through May 31, 2019. The service agreement provides for payments of Mr. Chari's service fees at a rate of (i) $33,333.33 per month through December 31, 2018 and (ii) $16,666.66 per month from January 1, 2019 through May 31, 2019. The service agreement provides that, if the hours of service in 2019 exceed 20 hours per week cumulated over a month, the Company shall pay additional fees at the rate of $192.31 per additional hour. NG SATS INC. d/b/a NGSATS and Mr. Chari will be subject to additional non-competition and non-solicitation covenants through the term of the service agreement and for a period of seven months following termination or expiration of the service agreement.

ITEM 6. Exhibits

Exhibit Number	Description of Exhibits
10.1.44 †	Amendment #4 to the 2Ku In-Flight Connectivity Services Agreement, dated as of June 22, 2017, between Delta Air Lines, Inc. and Gogo LLC
10.1.45 †	Amendment #5 to the 2Ku In-Flight Connectivity Services Agreement, dated as of July 12, 2017, between Delta Air Lines, Inc. and Gogo LLC
10.2.12 ◆	Employment Agreement, dated March 4, 2018, between Gogo Inc., Gogo LLC and Oakleigh Thorne
10.2.13 ◆	Separation Agreement and General Release, dated March 5, 2018, between Gogo LLC, Gogo Inc. and Michael Small
10.2.14 ◆	Employment Agreement, dated April 7, 2010, between Aircell LLC and Jonathan Cobin
10.2.15 ◆	Amendment No. 1 to the Employment Agreement, by and between Gogo LLC and Jonathan Cobin, effective as of November 30, 2017
10.2.16 ◆	Amendment No. 3 to the Employment Agreement, by and between Gogo LLC and Anand Chari, effective as of November 30, 2017
10.2.17 ◆	Amendment No. 3 to the Employment Agreement, by and between Gogo LLC and John Wade, effective as of November 30, 2017
10.2.18 ◆	Amendment No. 1 to the Form of Change in Control Severance Agreement for officers
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief 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 Chief 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	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

† Certain provisions of this exhibit have been omitted and separately filed with the Securities and Exchange Commission pursuant to a request for confidential treatment.

◆ Indicates employment contract or compensatory plan or arrangement.

* This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of the Registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

Gogo Inc.

Date: May 4, 2018

/s/ Oakleigh Thorne

Oakleigh Thorne
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Barry Rowan

Barry Rowan
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION: [***]

Amendment #4
To the
2Ku In-Flight Connectivity Services Agreement

This Amendment #4 ("**Amendment**") to the 2Ku In-Flight Connectivity Services Agreement is made as of June 22nd, 2017 ("**Amendment Date**"), by and between Delta Air Lines, Inc. ("**Delta**") and Gogo LLC ("**Gogo**"). Capitalized terms used herein that are not otherwise defined shall have the meanings given to such terms in the Original Agreement (as such term is defined below).

WHEREAS, Delta and Gogo are parties to the 2Ku In-Flight Connectivity Services Agreement dated as of April 1, 2015 (the "**Original Agreement**"), under which Gogo provides installation of certain equipment and provision of services related to Gogo's 2Ku Connectivity Services;

WHEREAS, Delta and Gogo, desire to amend the Original Agreement to modify certain terms relating to Service Levels;

NOW, THEREFORE, in consideration of the foregoing premises and the covenants contained herein, Delta and Gogo agree to amend the Original Agreement as follows:

1. Paragraph 4.4 of Exhibit B is hereby deleted in its entirety and replaced with the following:

> "For each Installed A/C, Gogo will measure and record the data transfer rate effected by the 2Ku System to client software on the [***]. The percentage of such measurements aggregating across Installed A/C over a month reporting a data rate equal to or higher than specified above is referred to herein as the '**Target Data Rate Percentage**.'
>
> [***]. The Data Rate Service Credit for any given month shall be calculated based on the number of Installed A/C on the 15th day of the month in which the failure occurs. [***].
>
> The month following the installation of next generation Gilat modems on any Installed A/C and implementation of High Throughput Satellite (HTS) coverage, which shall be deemed as complete the month following the launch and commissioning of the SES-15 satellite, [***].
>
> [***].

This Amendment #4 contains the entire understanding among the parties, and supersedes any prior written or oral agreement between them, respecting the subject matter hereof. This Amendment shall be governed by the same laws and in the same manner as the Original Agreement. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as of the Amendment Date.

DELTA AIR LINES, INC.		**GOGO LLC**	
By:	/s/ Ken McCue	By:	/s/ Michael Small
Name:	Ken McCue	Name:	Michael Small
Title:	Managing Director, Supply Chain Management	Title:	President and Chief Executive Officer
Date:	Oct 10, 2017	Date:	10-18-17

Exhibit 10.1.45

THE USE OF THE FOLLOWING NOTATION IN THIS EXHIBIT INDICATES THAT THE CONFIDENTIAL PORTION HAS BEEN OMITTED PURSUANT TO A REQUEST FOR CONFIDENTIAL TREATMENT AND THE OMITTED MATERIAL HAS BEEN FILED SEPARATELY WITH THE SECURITIES AND EXCHANGE COMMISSION: [***]

Amendment #5
To the
2Ku In-Flight Connectivity Services Agreement

This Amendment #5 ("**Amendment**") to the 2Ku In-Flight Connectivity Services Agreement is made as of July 12th, 2017 ("**Amendment Date**"), by and between Delta Air Lines, Inc. ("**Delta**") and Gogo LLC ("**Gogo**"). Capitalized terms used herein that are not otherwise defined shall have the meanings given to such terms in the Original Agreement (as such term is defined below).

WHEREAS, Delta and Gogo are parties to the 2Ku In-Flight Connectivity Services Agreement dated as of April 1, 2015 (the "**Original Agreement**"), under which Gogo provides installation of certain equipment and provision of services related to Gogo's 2Ku Connectivity Services;

WHEREAS, Delta and Gogo, desire to amend the Original Agreement to include the implementation of Internet Protocol TV ("IPTV") Services on certain Fleet Type A/C;

NOW, THEREFORE, in consideration of the foregoing premises and covenants contained herein, Delta and Gogo agree to amend the Original Agreement as follows:

1. Exhibit J in the Agreement shall be deleted entirely and replaced by the Exhibit J in this Amendment #5.

This Amendment #5 contains the entire understanding among the parties, and supersedes any prior written or oral agreement between them, respecting the subject matter hereof. This Amendment shall be governed by the same laws and in the same manner as the Original Agreement. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment effective as of the Amendment Date.

DELTA AIR LINES, INC.		**GOGO LLC**	
By:	/s/ Jeff Mihalic	By:	/s/ Oakleigh Thorne
Name:	Jeff Mihalic	Name:	Oakleigh Thorne
Title:	VP, Fleet and Material Services	Title:	President and CEO
Date:	2-26-2018	Date:	3/21/2018

EXHIBIT J

IPTV DESCRIPTION

1. Implementation of Internet Protocol TV ("IPTV"). In accordance with Article 2.7.3 and this Exhibit J of the Agreement, Delta is electing to enable IPTV on the Fleet Types listed in Table 2-1 below.

2. Addition of Internet Protocol TV ("IPTV") to Delta's 2Ku fleet. The Fleet Types listed below shall be equipped to receive, and broadcast, live television content, and related metadata, secured and licensed by Delta ("IPTV Content") over Gogo's 2Ku network. Gogo shall enable functionality of this content to either Portable Electronic Devices ("PED") or shall deliver this content to the applicable Panasonic seat-back system, revision of which has been mutually agreed between the Parties, (including any [***], per the table below.

Table 2.1 Fleet Types with PED and/or Seat-back

Fleet Type	PED	Seat-Back
[***]	X	X
[***]	X	X
[***]	X	X
[***]	X	X
[***]	X	
[***]	X	X
[***]	X	
[***]	X	X
[***]	X	X
[***]	X	X

Nothing in this Exhibit J shall be interpreted as a commitment by Delta to configure any minimum volume of aircraft or additional fleet types with IPTV. Any additional fleet type will be added by amendment to that fleet's existing 2Ku or Ku agreement for its inclusion as a 2Ku aircraft, which amendment shall include any mutually agreed costs for such addition.

3. Description of the System. The backbone of the IPTV system is based on the 2Ku system that Delta has installed (or is installing) on several of its narrow body fleet types. During the operation of the IPTV system Gogo receives content secured and licensed by Delta from [***] (or a similar supplier selected by Delta and approved by Gogo, whose approval shall not be unreasonably withheld), [***], and [***]. Approved aircraft then [***].

Once the content is received at the aircraft, Gogo's [***]. The streams are also formatted and made available to seatback monitor systems, where applicable.

Quality monitoring will be employed at various points in the network to ensure that channels are allocated sufficient [***]. Gogo will employ both [***]. Additionally, the [***].

4. Scope. Basic scope expectations from Gogo include:

- Provide IPTV near live-linear channel streaming
- Ingest content from content provider's satellite in a mutually agreed to format.
- Gogo will not warranty the content that arrives from [***] and Gogo will not introduce any new errors to the content. [***].
- Refresh content selection periodically [***]. Upon refresh request, the Parties will mutually agree to the costs and schedule of the request.
- Have personnel directly assigned to the program, full-time, during development, testing and integration
- Provide the IPTV services under this Exhibit J for the [***]. Upon expansion, the Parties will mutually agree to the costs and schedule of such expansion.

In connection with services provided by Gogo under this SOW, Delta shall (a) cause its Content Providers to maintain during the Term, and make all necessary payments for, [***] in connection with the exhibition of any IPTV Content, including licenses for the [***] contained in such IPTV Content including licenses for the [***] contained in such IPTV Content (b) be responsible for maintaining during the Term, and making all necessary payments for, any and all [***] arising from [***], (c) to comply, and will cause its Content Providers to comply, with all laws, rules and regulations requiring closed captioning or MPAA ratings disclosure, or otherwise applicable to the content of the IPTV Content, [***]; provided, however, that [***], and (d) deliver IPTV Content [***]. Delta will defend, indemnify and hold harmless the Gogo Indemnified Parties against and from all suits, judgments, losses, damages, fines, penalties, liabilities or costs (including reasonable attorneys' fees and expenses) resulting from any claim, suit or demand by any third party, arising out of [***].

5. Non-Recurring Engineering. Delta shall pay Gogo the following [***].

Item	Cost
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
[***] Total:	[***]
Total [***]:	**[***]**

If Delta elects to [***].
If Delta elects to [***].

6. Recurring Costs. Delta shall pay [***]. These costs remain unchanged regardless of [***]

Item	Cost
[***]	[***]
[***]	[***]
[***]	[***]

[***]. Delta will provide Gogo written notice if [***]. [***]:

Optional Items	Cost
[***]	[***]
[***]	[***]

7. Payment.

[***]:

- [***]
- [***]
- [***]
- [***]
- [***]

In the event that Gogo and Delta reasonably determine and mutually agree that [***].

[***] set forth under Section 6 above will be [***]. For any partial years, payment will be pro-rated for complete months that the services were provided in that period.

8. Change Requests. Any additional services that are outside of the scope included above will [***].

9. Service Level Agreement.

9.1 Service Availability. For each month during the Term, the IPTV services will be available [***].

Should IPTV Availability [***]:

a) [***].

b) [***].

c) [***].

d) [***].

The [***] will be calculated based on [***].

In the case that IPTV Availability is [***]. For purposes of the Agreement, Delta's [***].

9.2 Exclusion from Availability: Gogo shall have no obligation to Delta for such failure or any delay resulting from:

9.2.1 [***].

9.2.2 [***].

9.2.3 [***].

9.2.4 [***].

9.2.5 [***].

9.2.6 [***].

9.2.7 [***].

9.2.8 [***].

9.3 Liquidated Damages for Late Delivery. An integration and installation schedule for this program is set forth in the table below (as amended from time to time). If Gogo fails for any reason [***], then Gogo will pay Delta, as Delta's sole and exclusive remedy for such failure, as liquidated damages, [***]. This section 9.3 sets out Delta's exclusive remedies for a delay in installation. For purposes of clarification, and without otherwise modifying the definition of [***], the parties agree that if Delta, Panasonic or DISH fails to respond to Gogo's reasonable request for approval or input related to the IPTV Project [***].

Milestone	Date
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

10 Term and Termination.

10.1 This Exhibit J will continue in effect as of January 29th, 2018 and will extend for 36 months and thereafter will automatically renew from year to year until a Party receives notice at least thirty (30) days prior to the renewal date.

10.2 The foregoing notwithstanding, Delta [***].

Exhibit 10.2.12

EMPLOYMENT AGREEMENT

This Employment Agreement (this "***Agreement***") is entered into as of 4th day of March, 2018 (the "***Effective Date***") by and between **GOGO INC**. (the "***Parent***"), **GOGO LLC**, 111 N. Canal Street, Suite 1500, Chicago, IL 60606 (the "***Company***"), and **OAKLEIGH THORNE**, 63 Front Street, Millbrook, NY 12545 ("***Executive***"). Upon the occurrence of the Effective Date, this Agreement shall supersede and replace all other agreements, whether oral or written, related to the terms of Executive's employment with the Company. Certain capitalized terms used herein have the meanings given to them in Section 20 hereof.

AGREEMENT:

In consideration of the above recital, which is incorporated herein, and the mutual covenants contained herein, the parties agree as follows:

1. Employment. The Company hereby agrees to employ Executive, and Executive hereby accepts such employment effective March 4, 2018 (the "***Start Date***") upon the terms and conditions set forth herein and agrees to perform duties as assigned by the Company's and Parent's Boards of Directors.

2. Capacity and Duties. Executive shall be employed by the Company as President and Chief Executive Officer. During Executive's employment with the Company, Executive shall perform the duties and bear the responsibilities commensurate with Executive's position, and shall serve the Company faithfully and to the best of Executive's ability, under the direction of the Parent's Board of Directors. Executive's actions shall at all times be such that they do not discredit the Company or its products and services, and Executive shall not engage in any business activity or activities that require significant personal services by Executive or that, in the reasonable judgment of the Parent's Board of Directors, would materially interfere with the proper performance of Executive's duties hereunder. Executive shall devote substantially all of Executive's working time, working attention, and working energies to the business of the Company. Notwithstanding the foregoing, Executive may continue to serve as CEO of Thorndale Farm, Inc., as a trustee of certain family trusts, as a member of the Boards of Directors of Helix Education, Inc., Milbrook Tribute Garden and Thorne Community Center, Inc. and as a member of the Board of Overseers of Columbia Business School; provided that such activities do not materially interfere with Executive's duties under this Agreement. Executive shall promptly, and in any event within 90 days of the Start Date, wind down any other current remaining similar material obligations. Executive shall continue to serve as a member of Parent's Board of Directors but shall cease to serve as a member of the Compensation and Nominating and Corporate Governance Committees. Executive shall not earn any additional compensation for his services as a director.

3. Compensation.

(a) Base Salary and Bonus. The Company shall pay to Executive as base compensation for all of the services to be rendered by Executive under this Agreement a salary at the rate of $700,000 per annum (the "***Base Salary***"), payable in accordance with such normal payroll practices as are adopted by the Company from time to time, subject to withholdings for federal, state and local taxes, FICA and other withholding required by applicable law, regulation or ruling. The Base

Salary shall be reviewed for increase at least annually. Unless the Company and Executive mutually agree otherwise, Executive's annual salary shall not be reduced other than as part of an overall compensation reduction at the Company that impacts salaries of all executives of the Company and in such event shall not be reduced by more than 10% of Executive's then-current Base Salary. In addition, Executive shall be eligible for an annual bonus with a target of one hundred percent (100%) of Base Salary (the "***Target Bonus***"). The amount of such annual bonus, if any, shall be decided by the Compensation Committee of the Board of Directors of Parent and shall be based upon achievement of objectives established by the Compensation Committee, all as determined in the reasonable discretion of the Compensation Committee.

(b) Reimbursement of Expenses, Company Facilities. The Company shall pay or reimburse Executive for all reasonable, ordinary and necessary travel and other expenses incurred by Executive in the performance of Executive's obligations under this Agreement, in accordance with the Company's travel and expense reimbursement policies for management employees. The Company shall provide to Executive, at the Company's principal place of business, the necessary office facilities and equipment to perform Executive's obligations under this Agreement. The Company will reimburse Executive for up to $25,000 of attorney's fees incurred in connection with the review and negotiation of the terms and conditions of employment.

(c) Discretionary Time Off. The Company has no formal vacation or time off policy with respect to set time off amounts and accruals. During the Executive's employment with the Company, Executive shall be permitted to take a reasonable amount of time off for vacation.

(d) Benefits. Executive shall be eligible to participate in all normal company benefits including the Company's 401(k), retirement, medical, dental and life and disability insurance plans and programs in accordance with the terms thereof.

(e) Directors and Officers Insurance. Officers and directors liability insurance shall be obtained and maintained by the Company for reasonable and customary coverage of the Company and Executive, at no cost to Executive.

(f) Equity. The Compensation Committee ("***Committee***") of the Board of Directors of Parent has approved a grant, effective as of the date hereof, and subject to the Executive's commencement of employment on the Start Date, of the following long-term incentive awards in accordance with the terms of applicable award documents attached hereto as Exhibits A, B, C, D and E: (i) 700,000 time-vesting options to purchase common stock in Parent, (ii) 86,750 time-based options to purchase common stock in Parent and 13,250 time-based restricted stock units in Parent and (iii) 86,750 performance options and 13,250 performance stock units in Parent. Such equity awards will be issued pursuant to the Gogo Inc. 2016 Omnibus Stock Incentive Plan (as amended from time to time, the "**Plan**"). Additionally, commencing in 2019, Executive shall be eligible to participate in an annual equity award program, as approved by the Compensation Committee of the Board of Directors of Parent, on terms consistent with those of other members of senior management. Notwithstanding anything to the contrary contained in the Plan or any award agreement, Change in Control for purposes of any equity awards granted to the Executive under the Plan shall exclude acquisitions by any of the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto). In the event Executive requests to transfer any equity awards to Executive's Dynasty Trusts, provided that such trusts are Permitted Transferees and such transfer and such trusts meet all of the requirements set forth in Section 15(b) of the Plan, the consent of the Committee to such transfer shall not be unreasonably withheld.

(g) Relocation Benefits. For the first 60 days following the Start Date, Executive's principal office will be in Millbrook, NY, although a substantial proportion of his working time will be required at the Company's Chicago, IL office. Business travel between Millbrook and Chicago during such period will be reimbursed in accordance with the Company's travel reimbursement policies. Following such 60-day period, the Executive's principal office will be in Chicago, IL. The Company shall pay to Executive an amount of $150,000, which is intended to compensate Executive for certain relocation and temporary living expenses, and for other travel between the Company's offices and his home prior to relocation. Executive acknowledges that the Company has no further obligation to pay or reimburse Executive for any such expenses. Such payment shall be paid on the date of the first regular payroll that is at least five (5) business days after the Start Date.

4. Confidentiality, Ownership of Confidential Information and Inventions.

(a) Receipt of Confidential Information. Executive's employment by the Company creates a relationship of confidence and trust between Executive and the Company with respect to certain information applicable to the business of the Company and its clients or customers. Executive acknowledges that during Executive's employment by the Company and as a result of the confidential relationship with the Company established thereby, Executive shall be receiving Confidential Information and that the Confidential Information is a highly valuable asset of the Company.

(b) Nondisclosure. During Executive's employment with the Company and at all times thereafter, regardless of the reason for the termination of such employment, Executive shall retain in strict confidence and shall not use for any purpose whatsoever or divulge, disseminate, or disclose to any third party (other than in the furtherance of the business purposes of the Company, as determined by the Executive in good faith) all Confidential Information, all of which is deemed confidential and proprietary. Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement limits the Employee's ability to communicate with or participate in any investigation or proceeding regarding possible violations of U.S. Federal securities laws that may be conducted by the U.S. Securities and Exchange Commission, the U.S. Department of Justice, the U.S. Consumer Financial Protection Bureau or the U.S. Commodity Futures Trading Commission.

(c) Disclosure. Executive shall inform the Company in writing promptly and fully of all Inventions made or conceived by him, setting forth in detail a description of the Invention, the procedures used and the results achieved. Executive agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Inventions, which records shall be available to and remain the sole property of the Company at all times.

(d) Ownership; Cooperation. All Confidential Information and Inventions shall be and remain the sole property of the Company. Executive promptly shall execute and deliver to the Company any instruments reasonably deemed necessary by it to effect disclosure and assignment of all Inventions to the Company including, without limitation, assignment agreements reasonably satisfactory to the Company. Upon request of the Company, during and after Executive's employment with the Company, Executive shall execute patent, copyright, trademark, mask work or other applications and any other instruments deemed necessary by the Company for the prosecution of such patent applications or the acquisition of letters patent or registration of copyrights, trademarks or mask works in the United States and foreign countries based on such Inventions, *provided*, *however*, that if Executive incurs any expenses in connection with the foregoing obligation after Executive's employment with the Company is terminated, the Company shall compensate Executive at a reasonable rate for the time actually spent by Executive at the Company's request in satisfying such obligation.

(e) Works for Hire. To the extent the Inventions consist of original works of authorship which are made by Executive (solely or jointly with others) within the scope of Executive's employment and which are protectable by copyright, Executive acknowledges that all such original works of authorship are "works for hire" as that term is defined in the United States Copyright Act (17 U.S.C., Section 101).

5. Covenants-Not-to-Compete. In consideration of Executive's continued employment as an executive of the Company and in consideration of the Company's obligations contained in this Agreement, including, without limitation, its agreeing to provide the equity grant specified in Section 3(f), and because Executive shall have access to Confidential Information, including, without limitation, Trade Secrets, Executive hereby covenants as follows (as used in this Section the term "Company" includes Gogo LLC and its Affiliates):

(a) Covenants. Without the prior written consent of the Board, (x) during Executive's employment with the Company and (y) for one (1) year after leaving the employment of the Company, whether voluntarily or involuntarily, Executive shall not directly or indirectly, personally, by agency, as an employee, independent contractor, officer or director, through a corporation, partnership, limited liability company, or by any other artifice or device:

(i) Own, manage, operate, control, work for, provide services to, employ, have any financial interest in, consult to, lend Executive's name to or engage in any capacity in any enterprise, business, company or other entity (whether existing or newly established) engaged in a Competitive Business, whether in anticipation of monetary compensation or otherwise;

(ii) hire, solicit or otherwise induce any current or former employee of the Company or any of its Affiliates or any person otherwise engaged by the Company or any of its Affiliates as an independent contractor or consultant to terminate his or her employment or service with the Company or such Affiliate or to engage in any Competitive Business, or intentionally interfere with the relationship of the Company or any of its Affiliates with any such employee or former employee or other person, it being understood that a general advertisement of employment opportunities to which a current or former employee of the Company or any of its Affiliates responds shall not constitute solicitation or inducement for purposes of this Section 5(a)(ii);

(iii) Solicit or service in any way in connection with or relating to a Competitive Business, on behalf of Executive or on behalf of or in conjunction with others, any supplier, client or customer, or prospective supplier, client, or customer who has been solicited or serviced by the Company or any of its Affiliates within the twelve (12) month period preceding Executive's last day of employment with the Company, or induce any customer, client, prospective customer or client, vendor or strategic partner of the Company or any of its Affiliates to terminate or negatively alter his, her or its relationship with the Company or any of its Affiliates,; or

(iv) Assist others in doing anything prohibited by clause (i), (ii) or (iii) above. Due to the global nature of the Company's business and its competition there is no applicable geographic restriction on the covenants set forth herein. The covenants in this Section 5(a) shall be specifically enforceable. However, the covenants in this Section 5(a) shall not be construed to prohibit the ownership of not more than one percent of the equity of any publicly-held entity engaged in direct competition with the Company, so long as Executive is not otherwise engaged with such entity in any of the other activities specified in Section 5(a) (i) through (iv) above.

(b) Reformation and/or Severability of Covenants. If a court determines that any of the foregoing covenants is an unenforceable restriction, the court is authorized and requested to revise such provision to include the maximum restriction allowed under applicable law. If any provision of this Agreement is determined to be in violation of any law, rule or regulation or otherwise unenforceable, and cannot be modified to be enforceable, such determination shall not affect the validity of any other provision of this Agreement, and such other provisions shall remain in full force and effect. Each provision, paragraph and subparagraph of this Agreement is severable from every other provision, paragraph and subparagraph and constitutes a separate and distinct covenant.

(c) Acknowledgment. Executive acknowledges that the covenants made by Executive in this Agreement are intended to protect the legitimate business interests of the Company and not to prevent or interfere with Executive's ability to earn a living. Executive further understands that the Company may, in its sole discretion, permit Executive to engage in certain work or activity described in Section 5, if and only if Executive provides the Company with written evidence satisfactory to the Company, including assurances from any new employer or entity, that the contribution of Executive's knowledge to that work or activity will not cause Executive to disclose, base judgment upon or use the Company's Confidential Information, or any other assurances as may be requested by the Company in its discretion. Executive agrees that he will not engage in such work or activity unless and until Executive receives written consent from the Company.

6. Injunctive Relief; Legal Fees. If Executive violates any of the provisions of Section 4 or 5 hereof (the "***Applicable Sections***"), the Company shall be entitled to seek and, if awarded by a court or arbitrator, obtain immediate and permanent injunctive relief in addition to all other rights and remedies it may have, it being agreed that a violation of the Applicable Sections would cause the Company irreparable harm, and the damages which the Company would sustain upon such violation are difficult or impossible to ascertain in advance.

7. No Conflict. Executive represents and warrants to the Company that (a) Executive has not signed any employment agreement, confidentiality agreement, non-competition covenant or the like with any other employer and (b) Executive's employment with the Company will not violate any other agreement or arrangement Executive has or may have had with any other former employer. Executive covenants that under no circumstances shall Executive disclose to the Company or use for the benefit of the Company any confidential or proprietary information of any former employer or other third party, and Executive shall hold all such information in confidence, and shall comply with the terms of any and all applicable agreements between Executive and the third party with respect to such information.

8. Termination. Executive and the Company each acknowledge that either party has the right to terminate Executive's employment with the Company at any time for any reason whatsoever, with or without cause, pursuant to the following:

(a) Termination by the Company Without Cause. Upon thirty (30) days' written notice to Executive, or at the Company's discretion, pay in lieu of notice;

(b) Disability. Upon thirty (30) days' written notice to Executive, or at the Company's discretion, pay in lieu of notice, if Executive is prevented from performing Executive's duties by reason of illness or incapacity for a continuous period of 120 days;

(c) Death. Immediately upon the death of Executive; or

(d) Termination by the Company for Cause. Immediately upon a showing of "Cause", which for purposes of this Agreement shall mean Executive's (1) willful gross misconduct or gross or persistent negligence in the discharge of his duties; (2) act of dishonesty or willful concealment; (3) breach of his fiduciary duty or duty of loyalty to the Company; (4) a material breach of Section 4 or 5 hereof; (5) any other material breach by Executive of this Agreement, which breach has not been cured by Executive within thirty (30) days after written notice of such breach is given to Executive by the Company; (6) commission of once or more acts of substance abuse which are materially injurious to the Company; (7) commission of a criminal offense involving money or other property of the Company (excluding traffic or other similar violations); or (8) commission of a criminal offense that would, if committed in the State of Illinois, constitute a felony under the laws of the State of Illinois or the United States of America. For purposes of this Agreement, an act or failure to act shall be considered "willful" only if done or failed to be done by Executive intentionally or in bad faith.

(e) Voluntary Resignation. Executive may terminate Executive's employment under this Agreement upon thirty (30) days' written notice to the Company. The Company, at its discretion, may waive the thirty (30) day notice requirement, and in such event shall be required to make any payments in lieu of notice.

(f) Termination by the Executive for Good Reason. Upon written notice by the Executive to the Company of a termination for "Good Reason", which for purposes of this Agreement shall mean the occurrence of any of the following events, without the written consent of the Executive, (i) a diminution in Executive's Base Salary beyond what is permitted by Section 3(a) or Target Bonus; (ii) a diminution in Executive's duties, authority, or responsibilities; or (iii) relocation of the Company's headquarters outside the Chicago metropolitan area. In the event that Executive believes that circumstances constituting "Good Reason" have occurred and Executive wishes to terminate his employment as a result of such occurrence, Executive must provide the Company written notice within 90 days from the initial existence of the occurrence. If within 30 days following the Company's receipt of such notice it corrects the circumstances constituting "Good Reason," then Executive shall not be entitled to terminate his employment under this Section 8(f) as a result of such circumstances. Furthermore, Executive shall not be entitled to terminate his employment under this Section 8(f) as a result of any circumstances constituting "Good Reason" unless his resignation occurs within 30 days following the expiration of the Company's cure period.

9. Termination Benefits.

(a) Upon any termination, the Company's obligation to make payments hereunder shall cease upon such termination, except the Company shall pay Executive (i) any salary earned but unpaid prior to termination, (ii) any business expenses incurred but not reimbursed as, of the date of termination, and (iii) any award under the annual bonus program referred to in Section 3(a) that has been approved by the Compensation Committee of Parent's Board of Directors but not paid prior to termination. In addition, if Executive's employment is terminated by the Company without Cause or by the Executive for Good Reason, subject to Executive's execution and delivery and non-revocation of a general release of claims in the form attached hereto as Exhibit F, and Executive's continued compliance with his obligations under Sections 4 and 5 of this Agreement, (i) Executive shall be paid a pro rata portion of Executive's annual bonus for the fiscal year in which the Executive's termination occurs based on actual results for such year (determined by multiplying the amount of such bonus which would be due for the full fiscal year by a fraction, the numerator of which is the number of days during the fiscal year of termination that the Executive is employed by the Company and the denominator of which is 365) payable at the same time bonuses for such year are paid to other senior executives of the Company and (ii) notwithstanding to the contrary any provision in the Plan or the equity agreements that is less favorable to the Executive, (A) vesting of equity awards then held by Executive shall continue on the schedule set forth in the equity award agreement for 12 months following the termination date and (B) vested options then held by Executive (including options that vest pursuant to the preceding clause (A)) shall remain exercisable for the earlier of (I) the 12-month period following the termination date and (II) the option termination date; provided, that no breach of Section 4 or 5 of this Agreement shall be deemed to constitute non-compliance with Section 4 or 5 unless such breach is material and, to the extent curable, Executive shall have failed to cure such material breach under Section 4 or 5 of this Agreement within 30 days of receiving written notice from the Company of such material breach; and provided, further, that payment of any pro rata bonus pursuant to clause (i), vesting of equity awards and option exercises shall be suspended during such 30 day cure period.

(b) Survival of Obligations. Executive's obligations pursuant to Sections 4 and 5 shall survive the expiration of the term of Executive's employment under this Agreement or any early termination thereof

(c) Returns. Upon termination of Executive's employment under this Agreement, or as otherwise requested by the Company, immediately upon the Company's request, Executive shall return to the Company all Company files, notes, business plans and forecasts, financial information, computer-recorded information, tangible property including computers, software, credit cards, entry cards, identification badges, cell phones, pager, keys, tools, equipment and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof),

10. Notices. All notices, reports, records or other communications which are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if given in writing and delivered in person, by telecopy, by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the address listed on the first page of this Agreement, or to such other address as such party may have given to the other by notice pursuant to this Section 10.

In the case of any such communications to the Company, such communications shall also be delivered to the Board of Directors. Notice shall be deemed given on the date of delivery, in the case of personal delivery or telecopy, or on the delivery or refusal date, as specified on the return receipt, in the case of overnight courier or registered or certified mail.

11. Further Assurances. The parties shall cooperate fully with each other and execute such further instruments, documents and agreements, and shall give such further written assurances, as may be reasonably requested by one another to better evidence and reflect the transactions described herein and contemplated hereby and to carry into effect the intent and purposes of this Agreement. Without limiting the generality of the foregoing, Executive shall cooperate fully in assisting the Company to comply with contractual obligations of the Company to third parties regarding Inventions, Trade Secrets and copyrights.

12. Waiver of Breach. A waiver by the Company of a breach of any provision of this Agreement by Executive shall not operate or be construed as a waiver of any subsequent breach by Executive.

13. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any action pursuant to Section 4 or 5 above may be brought in the Courts in the State of Illinois, and by execution of this Agreement, Executive irrevocably submits to such jurisdiction.

14. Arbitration.

(a) Any dispute arising in connection with this Agreement or Executive’s employment with the Company, except for equitable or injunctive actions pursuant to Section 4 or 5 above, or claims by Executive for workers’ compensation, unemployment compensation or benefits under a Company benefits plan, shall be submitted to final and binding arbitration. Judgment upon any award rendered by arbitration may be entered in any court having jurisdiction thereof

(b) The arbitrator shall be selected by the mutual agreement of the parties. Any arbitrator selected shall be a professional having at least ten years of experience in labor or employment related practice areas. If the amount in dispute exceeds $250,000, the parties shall select, by mutual agreement, a panel of three arbitrators, rather than one arbitrator, to resolve the dispute.

(c) The arbitration shall be conducted in Chicago, Illinois (unless the corporate headquarters of the Company shall have been moved to another location, in which case the arbitration shall be conducted in such location). Reasonable discovery shall be permitted as determined by the arbitrator or arbitrators. Both parties to an arbitration shall have the right to be represented by counsel. The attorneys’ fees and costs of the arbitrator and arbitration proceedings are to be shared equally between the parties, and all other costs and attorneys’ fees are to be paid by the party incurring such costs and fees.

(d) Except as otherwise provided herein, this arbitration procedure is the exclusive remedy for any contractual, non-contractual or statutory claim of any kind, including claims arising under federal, state and local statutory law, including, but not limited to, the Age Discrimination in Employment Act of 1967, 29 U.S.C. § 621 *et seq.*; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e *et seq.*; the Americans with Disabilities Act, 42 U.S.C. § 12101 *et seq.*; the Employee Retirement Income Security Act, 29 U.S.C. § 1001 *et seq.*; the Illinois Human Rights Act, 75 ILCS § 5/1-101 *et seq.*; and common law or equitable claims alleging breach of contract, defamation, fraud, outrageous conduct, promissory estoppel, violation of public policy, wrongful discharge or any other tort, contract or equitable theory. Executive agrees to exhaust any and all internal dispute resolution procedures established by the Company prior to pursuing arbitration under this Agreement.

15. Severability. If any provision of this Agreement shall be held by any Court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the enforceability of all other provisions of this Agreement shall be unimpaired.

16. Binding Agreement. Executive shall not delegate or assign any of Executive's rights or obligations under this Agreement. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by Executive, the Company and Parent and the Company's and Parent's successors and assigns; provided, however, that the Company may not assign this Agreement to any other person or entity without the prior written consent of Executive except in connection with a sale, assignment or other transfer by the Company or Parent of all or a substantial portion of its assets or business, in each of which events assignment of this Agreement is expressly permitted without the consent of Executive.

17. Merger; Amendment. This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and no other statement, representation, warranty or covenant has been made by either party except as expressly set forth herein. This Agreement may be amended at any time, provided that such amendment is in writing and is signed by each of the parties.

18. Nature of Employment. EXECUTIVE IS EMPLOYED WITH THE COMPANY FOR NO SPECIFIC TERM OF EMPLOYMENT, AND IS EMPLOYED AT THE WILL OF THE COMPANY. NOTHING IN THIS AGREEMENT SHALL IN ANY WAY RESTRICT EXECUTIVE'S RIGHT OR THE RIGHT OF THE COMPANY TO TERMINATE EXECUTIVE'S EMPLOYMENT AT ANY TIME, FOR ANY REASON OR FOR NO REASON, WITH OR WITHOUT CAUSE AND WITH OR WITHOUT NOTICE.

19. Section 409A. This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii), as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), or another applicable exemption under Section 409A of the Code or the Treasury Regulations promulgated thereunder. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code ("***409A Penalties***"), the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible. To the extent any amounts under this Agreement are payable by reference to Executive's "termination of employment" or similar terms, such terms shall be deemed to refer to Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a "specified employee," as defined in Section 409A of the Code, as of the date of Executive's separation from service, then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive's separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Executive's separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive's death. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive promptly following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit. Each installment payment hereunder shall be deemed to be a separate payment for purposes of Section 409A of the Code. Whenever a provision under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

20. Definitions. In addition to terms defined above and elsewhere in this Agreement, the following terms shall have the meanings set forth below:

"***Affiliate***" means (i) any parent or subsidiary of the Company and (ii) any person or entity that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, the Company. For purposes of this definition, the terms "controls," "is controlled by" or "is under common control with" shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

"***Air-to-Ground Communication***" means (i) data and/or voice communications directly or indirectly between an aircraft and the ground, including communications between an aircraft and the ground transmitted in whole or in part by satellite, (ii) data and/or voice communications within an aircraft, including all communications to or from the cabin and/or the cockpit of an aircraft, (iii) any and all related products and services including without limitation in-flight entertainment and (iv) any and all products and services directly supportive thereof. For the avoidance of doubt, Air-to-Ground Communications does not include communications by satellite that do not involve communication to or from an aircraft.

"***Competitive Business***" means any business engaged in (i) providing Air-to-Ground Communications, (ii) assembling, manufacturing, installing or selling equipment involved in or relating to Air-to-Ground Communications or (iii) any other business or activities that are materially in competition with any other businesses in which the Company or any of its Affiliates materially engages in during Executive's employment or is actively contemplating entering into during Executive's employment. For purposes of this Agreement, in the event that a

Competitive Business includes an organization with separate and distinct business units, to the extent possible, and upon the written approval of the Board, the term Competitive Business may be limited to only those business units(s) or persons of the Competitive Business that are engaged in, related to or become engaged in, or related to the business of Air-to-Ground Communications.

"***Confidential Information***" means all information relating to the Company, its Affiliates and their respective customers and suppliers reasonably considered by the Company or its Affiliates to be confidential and proprietary including, without limitation, (a) business plans, research, development and marketing strategies, customer names and lists, product and service prices and lines, processes, designs, formulae, methods, financial information, costs and supplies and (b) the Trade Secrets (as defined below). Confidential Information may include information which has been acquired or created by Executive or has otherwise become known to Executive through Executive's employment with Company. Confidential Information may also include information belonging to the Company's clients, customers or suppliers. "Confidential Information" shall not include the foregoing that is or becomes (i) in the public domain other than through acts by Executive, (ii) already lawfully in Executive's possession at the time of disclosure by the Company as evidenced by Executive's written records, (iii) disclosed to Executive by a third party who is not prohibited from disclosing the information pursuant to any fiduciary, contractual or other duty to any person or (iv) required by law, rule, regulation or court order to be disclosed.

"***Inventions***" means discoveries, concepts, ideas, methods, formulae, techniques, developments, know-how, inventions and improvements, whether or not patentable or registrable under patent, copyright or similar statutes, related to the Company's business that is conceived of or made by Executive during Executive's employment by the Company, whether before, during or after business hours, or with the use of the Company's facilities, materials or personnel, either solely or jointly with others, including, without limitation, existing and planned products and services and future products and services of the Company and its Affiliates.

"***Trade Secrets***" means any and all technology and information relating to the Company's and its Affiliates' business or their respective patents, methods, formulae, software, know-how, designs, products, processes, services, research development, inventions, systems, engineering and manufacturing which have been designated as secret or confidential or are the subject of efforts that are reasonable under the circumstances to maintain their secrecy or confidentiality and which are sufficiently secret to derive economic value, actual or potential, from not being generally known to other persons.

[Signature Pages Follows]

The parties have executed this Agreement on the date first above written, effective as of the Effective Date.

EXECUTIVE:

/s/ Oakleigh Thorne

Oakleigh Thorne

[Signature Pages Continue]

COMPANY:

GOGO LLC

By: /s/ Marguerite M. Elias
Name: Marguerite M. Elias
Title: Executive Vice President, General Counsel and Secretary

PARENT:

GOGO INC.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Exhibit A

THE GOGO INC.
2016 OMNIBUS INCENTIVE PLAN
NON-STATUTORY STOCK OPTION
AWARD NOTICE

Oakleigh Thorne
63 Front Street
Millbrook, NY 12545

You have been granted an option to purchase shares of common stock, $0.0001 par value, of Gogo Inc. (the "Company"), pursuant to the terms and conditions of the Gogo Inc. 2016 Omnibus Incentive Plan (the "Plan") and the Stock Option Agreement (together with this Award Notice, the "Agreement"). Copies of the Plan and the Stock Option Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Options:	You have been awarded a non-statutory option to purchase from the Company 700,000 shares of its common stock, $0.0001 par value (the "Options"), subject to adjustment as provided in Section 6 of the Agreement.
Grant Date:	March 4, 2018
Exercise Price:	$9.39 per share, subject to adjustment as provided in Section 6 of the Agreement.
Employment Agreement:	To the extent more favorable to you, the terms and conditions set forth in your Employment Agreement dated as of March 4, 2018 ("Employment Agreement") that expressly apply to the Awards granted pursuant to this Agreement shall supersede the terms and conditions of the Agreement and the Plan to the extent applicable.
Vesting Schedule:	Except as expressly provided otherwise in your Employment Agreement, the Options shall vest and become exercisable as follows: (i) 25% of the Options shall vest on the first anniversary of the Grant Date and (ii) the remaining 75% of the Options will vest in equal monthly installments over the three year period beginning immediately following the first anniversary of the Grant Date, in each case, subject to your continuous employment by the Company or one of its Affiliates through the applicable vesting date.
Expiration Date:	Except to the extent earlier terminated pursuant to Section 3 of the Agreement or earlier exercised pursuant to Section 3 of the Agreement, the Option shall terminate at 5:00 p.m., Central time, on the tenth anniversary of the Grant Date.

Gogo Inc.

By:	/s/ Ronald LeMay
Name:	Ronald LeMay
Title:	Chairman

Acknowledgment, Acceptance and Agreement:

By signing this Award Notice to Gogo Inc., you hereby acknowledge receipt of the Agreement and the Plan, accept the Options granted to me, represents to the Company that you have read and understood the Agreement and the Plan, agree that the Options are subject to the terms and conditions of the Agreement and the Plan and agree to be bound by the terms of the Agreement and the Plan. **ACCORDINGLY, PLEASE BE SURE TO READ ALL OF THE PLAN AND THE AGREEMENT, WHICH CONTAIN THE SPECIFIC TERMS AND CONDITIONS OF THE OPTIONS.**

If you do not execute and deliver this Award Notice within 30 days from the date of receipt of this Award Notice, the Options will be forfeited.

/s/ Oakleigh Thorne
Oakleigh Thorne

3/4/18
Date

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT (the "Agreement"), dated as of the Grant Date set forth in the Notice of Grant (as defined below), between Gogo Inc., a Delaware corporation (the "Company"), and the Participant whose name appears in the Notice of Grant (the "Participant"), pursuant to the Gogo Inc. 2016 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan"). Capitalized terms that are not defined herein shall have the meanings given to such terms in the Plan.

1. Confirmation of Grant, Option Price.

(a) Confirmation of Grant. The Company hereby evidences and confirms the grant to the Participant of options to purchase the number of shares of Stock (the "Options") set forth in the Gogo Inc. 2016 Omnibus Incentive Plan Stock Option Grant Notice delivered by the Company to the Participant (the "Notice of Grant"). The Options are not intended to be incentive stock options under the U.S. Internal Revenue Code of 1986, as amended. This Agreement is entered into pursuant to, and the terms of the Options are subject to, the terms and conditions of the Plan, which is incorporated by reference herein. If there is any inconsistency between this Agreement and the terms of the Plan, the terms of the Plan shall govern. The Options shall be considered a Service Award under the Plan.

(b) Exercise Price. The Options shall have the Exercise Price set forth in the Notice of Grant.

2. Vesting, Exercisability and Exercise.

(a) Vesting. Except as otherwise provided in Section 3, the Options shall vest and become exercisable in the amounts and on the vesting dates set forth in the Notice of Grant, subject to the continuous employment of the Participant with the Company or a Subsidiary until the applicable vesting date.

(b) Exercise; Condition to Exercise. Once vested and exercisable in accordance with the provisions of this Agreement, the Options may be exercised at any time and from time to time prior to the date such Options terminate pursuant to Section 3. The Participant may exercise all or a portion of the Options by giving notice to the Company or a brokerage firm designated or approved by the Company, in form and substance satisfactory to the Company, which will state the Participant's election to exercise the Options and the number of shares of Stock for which the Participant is exercising Options. The notice must be accompanied by full payment of the exercise price for the number of shares of Stock the Participant is purchasing. The Participant may make this payment in any combination of the following: (a) by cash; (b) by check acceptable to the Company; (c) by tendering (either actually or by attestation) shares of Stock the Participant has owned for at least six months (if such holding period is necessary to avoid a charge to the Company's earnings); (d) to the extent permitted by law, by instructing a broker to deliver to the Company the total payment required in accordance with procedures established by the Company; or (e) by any other method permitted by the Committee.

(c) Cashless Exercise. In lieu of tendering the exercise price to the Company in accordance with Section 2(b), the Participant may elect to perform a "Cashless Exercise" of the Options, in whole or in part, by surrendering the Options to the Company, marked "Cashless Exercise" and designating the number of shares of Stock desired by the Participant out of the total for which Options are exercisable. The Participant shall thereupon be entitled to receive the number of shares of Stock having a Fair Market Value equal to the excess of (i) the then Fair Market Value per share of Stock multiplied by the number of the shares of Stock into which the Options designated by the Participant would have been exercisable pursuant to Section 2(b) upon payment of the exercise price by the Participant over (ii) the exercise price the Participant would have been required to pay under Section 2(b) in respect of such an exercise.

3. Termination of Options

(a) Normal Expiration Date. Unless earlier terminated pursuant to Section 3(b), the Options shall terminate on the tenth anniversary of the Grant Date (the "Normal Expiration Date"), if not exercised prior to such date.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If a Participant's employment with the Company terminates due to death, Disability or Retirement, the Option shall be deemed vested to the extent of the number of Options that would have vested had the Participant's Service continued until the next vesting date immediately following the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and may thereafter be exercised by the Participant or the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and (ii) the Normal Expiration Date. Any remaining unvested Options shall immediately be forfeited and canceled effective as of the date of the Participant's death or effective date of the Participant's Termination of Service due to Disability or Retirement. For purposes of this Agreement, "Retirement" shall mean a Participant's Termination of Service with the Company (other than a termination for Cause) occurring on or after the date on which either (x) the Participant reaches the age of 65 or (y) the Participant's age plus years of service equal seventy-five (75) (as determined by the Committee in its sole discretion).

(ii) Cause. If a Participant's employment with the Company is terminated by the Company for Cause, the Option, whether or not vested, shall terminate immediately upon such Termination of Service.

(iii) Other Reasons. Except as expressly provided otherwise in the Participant's agreement with the Company or any Subsidiary, if a Participant's employment with the Company is terminated due to circumstances other than as set forth in Sections 3(b)(i) or (ii), the Option shall be vested only to the extent it is vested on the effective date of the Participant's Termination of Service and may thereafter be exercised by the Participant until and including the earliest to occur of (i) the date which is 90 days after the effective date of the Participant's Termination of Service, (ii) the date the Participant breaches an employment, noncompetition, nonsolicitation, confidentiality, inventions or similar agreement between the Company and the Participant (an "Employment Agreement") and (iii) the Normal Expiration Date.

(iv) Death Following Termination. If the Participant dies during the period set forth in Section 3(b)(i) or (iii), the Option shall be vested only to the extent it is vested on the date of death and may thereafter be exercised by the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of death and (ii) the Normal Expiration Date.

(c) Change in Control. In the event of a Change in Control, the Options shall vest or continue and shall have such treatment, as set forth in the Plan. Notwithstanding anything to the contrary contained in the Plan, "Change in Control" for purposes of this Agreement shall mean:

(i) the acquisition by any person, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company's then outstanding voting securities, excluding acquisitions by the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto); or

(ii) the consummation of a reorganization, merger or consolidation of the Company or the sale of all or substantially all of the assets of the Company, in each case with respect to which the persons who held equity interests in the Company immediately prior to such reorganization, merger, consolidation or sale or the Thorne Affiliates do not immediately thereafter own, directly or indirectly, 50% or more of the combined voting power of the then outstanding securities of the surviving or resulting corporation or other entity.

in each case, provided that such event constitutes a "change in control" within the meaning of Section 409A of the Code.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code or as a result of any restructuring that occurs as a result of any such proceeding.

4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Participant may not sell the shares of Stock acquired upon exercise of the Options unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable laws and regulations governing the shares and Participant may not sell the shares of Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

5. Participant's Rights with Respect to the Options.

(a) Restrictions on Transferability. The Options granted hereby are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, hedged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including without limitation by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that the deceased Participant's beneficiary or representative of the Participant's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder including any voting, dividend or other rights or privileges as a stockholder of the Company with respect to any Stock underlying the Options unless and until shares of Stock are issued to the Participant upon exercise thereof.

6. Adjustments. The number, class and Exercise Price of the shares of Stock covered by the Options shall be adjusted by the Committee to reflect any extraordinary dividend, stock dividend, stock split or share combination or any recapitalization, business combination, merger, consolidation, spin-off, exchange of shares, liquidation or dissolution of the Company or other similar transaction affecting the Stock in such manner as the Board determines in its sole discretion.

7. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries.

(c) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(d) Tax Withholding. The Company and its Subsidiaries shall have the right to deduct from all amounts paid to a Participant in cash (whether under the Plan or otherwise) any amount of taxes required by law to be withheld in respect of the Options as may be necessary in the opinion of the Employer to satisfy tax withholding required under the laws of any country, state, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld. The Company may require the recipient of the shares of Stock to remit to the Company an amount in cash sufficient to satisfy the amount of taxes required to be withheld as a condition to the issuance of such shares. The Committee may, in its discretion, require the Participant to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold or the Participant sell the least number of whole shares of Stock having a Fair Market Value sufficient to satisfy all or part of the amount required to be withheld.

(e) Forfeiture for Financial Reporting Misconduct. In the event that the Participant commits misconduct or gross negligence (whether or not such misconduct or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct or gross negligence the Company restates any of its financial statements, then the Company may require any or all of the following: (a) that the Participant forfeit some or all of the Options subject to this Agreement held by such Participant at the time of such restatement, (b) that the Participant forfeit some or all of shares of Stock held by the Participant at the time of such restatement that had been received upon exercise of Options subject to this Agreement during the twelve-month period (or such other period as determined by the Committee) prior to the financial restatement, and (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Stock that had been received upon exercise of any Options subject to this Agreement within the period commencing twelve months (or such other period as determined by the Committee) prior to the financial restatement. The Company may also cancel or reduce, or require a Participant to forfeit and disgorge to the Company or reimburse the Company for, any Options granted or vested and any gains earned or accrued, due to the vesting or exercise of Options or sale of any Stock acquired upon exercise of an Option, to the extent permitted or required by, or pursuant to any Company policy implemented as required by, applicable law, regulation or stock exchange rule as from time to time may be in effect (including but not limited to The Dodd–Frank Wall Street Reform and Consumer Protection Act and regulations and stock exchange rules promulgated pursuant to or as a result of such Act).

(f) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(g) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Options evidenced hereby, the Participant acknowledges: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Options is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Stock is unknown and cannot be predicted with certainty.

(h) Employee Data Privacy. By entering into this Agreement and accepting the Options evidenced hereby, the Participant: (a) authorizes the Company, the Participant's employer, if different, and any agent of the Company administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its affiliates any information and data the Company requests in order to facilitate the grant of the Award and the administration of the Plan; (b) waives any data privacy rights the Participant may have with respect to such information; and (c) authorizes the Company and its agents to store and transmit such information in electronic form.

(i) Consent to Electronic Delivery. By entering into this Agreement and accepting the Options evidenced hereby, Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Options via Company website, email or other electronic delivery.

(j) Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Agreement, and shall not be employed in the construction of this Agreement.

(k) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Exhibit B

THE GOGO INC.
2016 OMNIBUS INCENTIVE PLAN
NON-STATUTORY STOCK OPTION
AWARD NOTICE

Oakleigh Thorne
63 Front Street
Millbrook, NY 12545

You have been granted an option to purchase shares of common stock, $0.0001 par value, of Gogo Inc. (the "Company"), pursuant to the terms and conditions of the Gogo Inc. 2016 Omnibus Incentive Plan (the "Plan") and the Stock Option Agreement (together with this Award Notice, the "Agreement"). Copies of the Plan and the Stock Option Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Options:	You have been awarded a non-statutory option to purchase from the Company 86,750 shares of its common stock, $0.0001 par value (the "Options"), subject to adjustment as provided in Section 6 of the Agreement.
Grant Date:	March 4, 2018
Exercise Price:	$9.39 per share, subject to adjustment as provided in Section 6 of the Agreement.
Employment Agreement:	To the extent more favorable to you, the terms and conditions set forth in your Employment Agreement dated as of March 4, 2018 ("Employment Agreement") that expressly apply to the Awards granted pursuant to this Agreement shall supersede the terms and conditions of the Agreement and the Plan to the extent applicable.
Vesting Schedule:	Except as expressly provided otherwise in your Employment Agreement, the Options shall vest and become exercisable as follows: in four equal annual installments on each of the first through fourth anniversaries of the Grant Date, in each case, subject to your continuous employment by the Company or one of its Affiliates through the applicable vesting date.
Expiration Date:	Except to the extent earlier terminated pursuant to Section 3 of the Agreement or earlier exercised pursuant to Section 3 of the Agreement, the Options shall terminate at 5:00 p.m., Central time, on the tenth anniversary of the Grant Date.

Gogo Inc.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Acknowledgment, Acceptance and Agreement:

By signing this Award Notice to Gogo Inc., you hereby acknowledge receipt of the Agreement and the Plan, accept the Options granted to me, represents to the Company that you have read and understood the Agreement and the Plan, agree that the Options are subject to the terms and conditions of the Agreement and the Plan and agree to be bound by the terms of the Agreement and the Plan. **ACCORDINGLY, PLEASE BE SURE TO READ ALL OF THE PLAN AND THE AGREEMENT, WHICH CONTAIN THE SPECIFIC TERMS AND CONDITIONS OF THE OPTIONS.**

If you do not execute and deliver this Award Notice within 30 days from the date of receipt of this Award Notice, the Options will be forfeited.

/s/ Oakleigh Thorne
Oakleigh Thorne

3/4/18
Date

STOCK OPTION AGREEMENT

STOCK OPTION AGREEMENT (the "Agreement"), dated as of the Grant Date set forth in the Notice of Grant (as defined below), between Gogo Inc., a Delaware corporation (the "Company"), and the Participant whose name appears in the Notice of Grant (the "Participant"), pursuant to the Gogo Inc. 2016 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan"). Capitalized terms that are not defined herein shall have the meanings given to such terms in the Plan.

1. Confirmation of Grant, Option Price.

(a) Confirmation of Grant. The Company hereby evidences and confirms the grant to the Participant of options to purchase the number of shares of Stock (the "Options") set forth in the Gogo Inc. 2016 Omnibus Incentive Plan Stock Option Grant Notice delivered by the Company to the Participant (the "Notice of Grant"). The Options are not intended to be incentive stock options under the U.S. Internal Revenue Code of 1986, as amended. This Agreement is entered into pursuant to, and the terms of the Options are subject to, the terms and conditions of the Plan, which is incorporated by reference herein. If there is any inconsistency between this Agreement and the terms of the Plan, the terms of the Plan shall govern. The Options shall be considered a Service Award under the Plan.

(b) Exercise Price. The Options shall have the Exercise Price set forth in the Notice of Grant.

2. Vesting, Exercisability and Exercise.

(a) Vesting. Except as otherwise provided in Section 3, the Options shall vest and become exercisable in the amounts and on the vesting dates set forth in the Notice of Grant, subject to the continuous employment of the Participant with the Company or a Subsidiary until the applicable vesting date.

(b) Exercise; Condition to Exercise. Once vested and exercisable in accordance with the provisions of this Agreement, the Options may be exercised at any time and from time to time prior to the date such Options terminate pursuant to Section 3. The Participant may exercise all or a portion of the Options by giving notice to the Company or a brokerage firm designated or approved by the Company, in form and substance satisfactory to the Company, which will state the Participant's election to exercise the Options and the number of shares of Stock for which the Participant is exercising Options. The notice must be accompanied by full payment of the exercise price for the number of shares of Stock the Participant is purchasing. The Participant may make this payment in any combination of the following: (a) by cash; (b) by check acceptable to the Company; (c) by tendering (either actually or by attestation) shares of Stock the Participant has owned for at least six months (if such holding period is necessary to avoid a charge to the Company's earnings); (d) to the extent permitted by law, by instructing a broker to deliver to the Company the total payment required in accordance with procedures established by the Company; or (e) by any other method permitted by the Committee.

(c) Cashless Exercise. In lieu of tendering the exercise price to the Company in accordance with Section 2(b), the Participant may elect to perform a "Cashless Exercise" of the Options, in whole or in part, by surrendering the Options to the Company, marked "Cashless Exercise" and designating the number of shares of Stock desired by the Participant out of the total for which Options are exercisable. The Participant shall thereupon be entitled to receive the number of shares of Stock having a Fair Market Value equal to the excess of (i) the then Fair Market Value per share of Stock multiplied by the number of the shares of Stock into which the Options designated by the Participant would have been exercisable pursuant to Section 2(b) upon payment of the exercise price by the Participant over (ii) the exercise price the Participant would have been required to pay under Section 2(b) in respect of such an exercise.

3. Termination of Options

(a) Normal Expiration Date. Unless earlier terminated pursuant to Section 3(b), the Options shall terminate on the tenth anniversary of the Grant Date (the "Normal Expiration Date"), if not exercised prior to such date.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If a Participant's employment with the Company terminates due to death, Disability or Retirement, the Option shall be deemed vested to the extent of the number of Options that would have vested had the Participant's Service continued until the next vesting date immediately following the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and may thereafter be exercised by the Participant or the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and (ii) the Normal Expiration Date. Any remaining unvested Options shall immediately be forfeited and canceled effective as of the date of the Participant's death or effective date of the Participant's Termination of Service due to Disability or Retirement. For purposes of this Agreement, "Retirement" shall mean a Participant's Termination of Service with the Company (other than a termination for Cause) occurring on or after the date on which either (x) the Participant reaches the age of 65 or (y) the Participant's age plus years of service equal seventy-five (75) (as determined by the Committee in its sole discretion).

(ii) Cause. If a Participant's employment with the Company is terminated by the Company for Cause, the Option, whether or not vested, shall terminate immediately upon such Termination of Service.

(iii) Other Reasons. Except as expressly provided otherwise in the Participant's agreement with the Company or any Subsidiary, if a Participant's employment with the Company is terminated due to circumstances other than as set forth in Sections 3(b)(i) or (ii), the Option shall be vested only to the extent it is vested on the effective date of the Participant's Termination of Service and may thereafter be exercised by the Participant until and including the earliest to occur of (i) the date which is 90 days after the effective date of the Participant's Termination of Service, (ii) the date the Participant breaches an employment, noncompetition, nonsolicitation, confidentiality, inventions or similar agreement between the Company and the Participant (an "Employment Agreement") and (iii) the Normal Expiration Date.

(iv) Death Following Termination. If the Participant dies during the period set forth in Section 3(b)(i) or (iii), the Option shall be vested only to the extent it is vested on the date of death and may thereafter be exercised by the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of death and (ii) the Normal Expiration Date.

(c) Change in Control. In the event of a Change in Control, the Options shall vest or continue and shall have such treatment, as set forth in the Plan. Notwithstanding anything to the contrary contained in the Plan, "Change in Control" for purposes of this Agreement shall mean:

(i) the acquisition by any person, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company's then outstanding voting securities, excluding acquisitions by the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto); or

(ii) the consummation of a reorganization, merger or consolidation of the Company or the sale of all or substantially all of the assets of the Company, in each case with respect to which the persons who held equity interests in the Company immediately prior to such reorganization, merger, consolidation or sale or the Thorne Affiliates do not immediately thereafter own, directly or indirectly, 50% or more of the combined voting power of the then outstanding securities of the surviving or resulting corporation or other entity.

in each case, provided that such event constitutes a "change in control" within the meaning of Section 409A of the Code.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code or as a result of any restructuring that occurs as a result of any such proceeding.

4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Participant may not sell the shares of Stock acquired upon exercise of the Options unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable laws and regulations governing the shares and Participant may not sell the shares of Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

5. Participant's Rights with Respect to the Options.

(a) Restrictions on Transferability. The Options granted hereby are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, hedged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including without limitation by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that the deceased Participant's beneficiary or representative of the Participant's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder including any voting, dividend or other rights or privileges as a stockholder of the Company with respect to any Stock underlying the Options unless and until shares of Stock are issued to the Participant upon exercise thereof.

6. Adjustments. The number, class and Exercise Price of the shares of Stock covered by the Options shall be adjusted by the Committee to reflect any extraordinary dividend, stock dividend, stock split or share combination or any recapitalization, business combination, merger, consolidation, spin-off, exchange of shares, liquidation or dissolution of the Company or other similar transaction affecting the Stock in such manner as the Board determines in its sole discretion.

7. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries.

(c) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(d) Tax Withholding. The Company and its Subsidiaries shall have the right to deduct from all amounts paid to a Participant in cash (whether under the Plan or otherwise) any amount of taxes required by law to be withheld in respect of the Options as may be necessary in the opinion of the Employer to satisfy tax withholding required under the laws of any country, state, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld. The Company may require the recipient of the shares of Stock to remit to the Company an amount in cash sufficient to satisfy the amount of taxes required to be withheld as a condition to the issuance of such shares. The Committee may, in its discretion, require the Participant to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold or the Participant sell the least number of whole shares of Stock having a Fair Market Value sufficient to satisfy all or part of the amount required to be withheld.

(e) Forfeiture for Financial Reporting Misconduct. In the event that the Participant commits misconduct or gross negligence (whether or not such misconduct or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct or gross negligence the Company restates any of its financial statements, then the Company may require any or all of the following: (a) that the Participant forfeit some or all of the Options subject to this Agreement held by such Participant at the time of such restatement, (b) that the Participant forfeit some or all of shares of Stock held by the Participant at the time of such restatement that had been received upon exercise of Options subject to this Agreement during the twelve-month period (or such other period as determined by the Committee) prior to the financial restatement, and (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Stock that had been received upon exercise of any Options subject to this Agreement within the period commencing twelve months (or such other period as determined by the Committee) prior to the financial restatement. The Company may also cancel or reduce, or require a Participant to forfeit and disgorge to the Company or reimburse the Company for, any Options granted or vested and any gains earned or accrued, due to the vesting or exercise of Options or sale of any Stock acquired upon exercise of an Option, to the extent permitted or required by, or pursuant to any Company policy implemented as required by, applicable law, regulation or stock exchange rule as from time to time may be in effect (including but not limited to The Dodd–Frank Wall Street Reform and Consumer Protection Act and regulations and stock exchange rules promulgated pursuant to or as a result of such Act).

(f) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(g) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Options evidenced hereby, the Participant acknowledges: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Options is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Stock is unknown and cannot be predicted with certainty.

(h) Employee Data Privacy. By entering into this Agreement and accepting the Options evidenced hereby, the Participant: (a) authorizes the Company, the Participant's employer, if different, and any agent of the Company administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its affiliates any information and data the Company requests in order to facilitate the grant of the Award and the administration of the Plan; (b) waives any data privacy rights the Participant may have with respect to such information; and (c) authorizes the Company and its agents to store and transmit such information in electronic form.

(i) Consent to Electronic Delivery. By entering into this Agreement and accepting the Options evidenced hereby, Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Options via Company website, email or other electronic delivery.

(j) Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Agreement, and shall not be employed in the construction of this Agreement.

(k) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Exhibit C

GOGO INC.
2016 OMNIBUS INCENTIVE PLAN
RESTRICTED STOCK UNIT
NOTICE OF GRANT

Oakleigh Thorne
63 Front Street
Millbrook, NY 12545

You have been granted a number of restricted stock units set forth below, representing the right to receive shares of common stock of Gogo Inc. (the "Company"), pursuant to the terms and conditions of the Gogo Inc. 2016 Omnibus Incentive Plan (the "Plan") and the Restricted Stock Unit Agreement (together with this Notice of Grant, the "Agreement"). Copies of the Plan and the Restricted Stock Unit Agreement are attached hereto and incorporated herein in their entirety. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Restricted Stock Units:	You have been awarded 13,250 restricted stock units representing the right to receive 13,250 shares of the Company's common stock, $0.0001 par value (the "RSUs"), subject to adjustment as provided in Section 6 of the Agreement.
Grant Date:	March 4, 2018
Employment Agreement:	To the extent more favorable to you, the terms and conditions set forth in your Employment Agreement dated as of March 4, 2018 ("Employment Agreement") that expressly apply to the Awards granted pursuant to this Agreement shall supersede the terms and conditions of the Agreement and the Plan to the extent applicable.
Vesting Schedule:	Except as expressly provided otherwise in your Employment Agreement, the RSUs shall vest as follows: in four equal annual installments on each of the first through fourth anniversaries of the Grant Date, in each case, subject to your continuous employment by the Company or one of its Affiliates through the applicable vesting date.

Gogo Inc.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Acknowledgment, Acceptance and Agreement:

By signing this Award Notice to Gogo Inc., you hereby acknowledge receipt of the Agreement and the Plan, accept the RSUs granted to me, represents to the Company that you have read and understood the Agreement and the Plan, agree that the RSUs are subject to the terms and conditions of the Agreement and the Plan and agree to be bound by the terms of the Agreement and the Plan. **ACCORDINGLY, PLEASE BE SURE TO READ ALL OF THE PLAN AND THE AGREEMENT, WHICH CONTAIN THE SPECIFIC TERMS AND CONDITIONS OF THE RSUs.**

If you do not execute and deliver this Award Notice within 30 days from the date of receipt of this Award Notice, the RSUs will be forfeited.

/s/ Oakleigh Thorne
Oakleigh Thorne

3/4/18
Date

RESTRICTED STOCK UNIT AGREEMENT

RESTRICTED STOCK UNIT AGREEMENT (the "Agreement") dated as of the Grant Date set forth in the Notice of Grant (as defined below), by and between Gogo Inc., a Delaware corporation (the "Company"), and the participant whose name appears in the Notice of Grant (the "Participant"), pursuant to the Gogo Inc. 2016 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan"). Capitalized terms that are not defined herein shall have the meanings given to such terms in the Plan.

1. Grant of Restricted Stock Units. The Company hereby evidences and confirms its grant to the Participant, effective as of the Grant Date, of the number of restricted stock units (the "Restricted Stock Units") specified in the Gogo Inc. 2016 Omnibus Incentive Plan Restricted Stock Unit Grant Notice delivered by the Company to the Participant (the "Notice of Grant"). This Agreement is subordinate to, and the terms and conditions of the Restricted Stock Units granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall govern. The Restricted Stock Units shall be considered Service Awards under the Plan.

2. Vesting of Restricted Stock Units.

(a) Vesting. Except as otherwise provided in this Section 2, the Restricted Stock Units shall become vested, if at all in the amount(s), and on the vesting date(s) set forth in the Notice of Grant (each, a "Vesting Date"), subject to the continued employment of the Participant by the Company or any Subsidiary thereof through such date.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If a Participant's employment with the Company terminates due to death, Disability or Retirement, prior to the Vesting Date, the Restricted Stock Units shall be deemed vested to the extent of the number of Restricted Stock Units that would have vested had the Participant's Service continued until the next Vesting Date immediately following the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement. Any remaining unvested Restricted Stock Units shall immediately be forfeited and canceled effective as of the date of the Participant's death or effective date of the Participant's Termination of Service due to Disability or Retirement. For purposes of this Agreement, "Retirement" shall mean a Participant's Termination of Service with the Company (other than a termination for Cause) occurring on or after the date on which either (x) the Participant reaches the age of 65 or (y) the Participant's age plus years of service equal seventy-five (75) (as determined by the Committee in its sole discretion).

(ii) Other Terminations. Except as expressly provided otherwise in the Participant's agreement with the Company or any Subsidiary, if a Participant's employment with the Company is terminated due to circumstances other than as set forth in Section 2(b)(i) the Restricted Stock Units shall be vested only to the extent they are vested as of the effective date of the Participant's Termination of Service, and all unvested Restricted Stock Units shall be forfeited and cancelled, as of such effective date.

(c) Change in Control. In the event of a Change in Control, then the Restricted Stock Units shall vest or continue and shall have such treatment, as set forth in the Plan. Notwithstanding anything to the contrary contained in the Plan, "Change in Control" for purposes of this Agreement shall mean:

(i) the acquisition by any person, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company's then outstanding voting securities, excluding acquisitions by the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto); or

(ii) the consummation of a reorganization, merger or consolidation of the Company or the sale of all or substantially all of the assets of the Company, in each case with respect to which the persons who held equity interests in the Company immediately prior to such reorganization, merger, consolidation or sale or the Thorne Affiliates do not immediately thereafter own, directly or indirectly, 50% or more of the combined voting power of the then outstanding securities of the surviving or resulting corporation or other entity.

in each case, provided that such event constitutes a "change in control" within the meaning of Section 409A of the Code.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code or as a result of any restructuring that occurs as a result of any such proceeding.

(d) Committee Discretion. Notwithstanding anything contained in this Agreement to the contrary, subject to Section 15(m) of the Plan, the Committee, in its sole discretion, may accelerate the vesting with respect to any Restricted Stock Units under this Agreement, at such times and upon such terms and conditions as the Committee shall determine.

3. Settlement of Restricted Stock Units. Subject to Section 7(d), the Company shall deliver to the Participant one share of Stock (or the value thereof) in settlement of each outstanding Restricted Stock Unit that has vested as provided in Section 2 on the first to occur of (i) the Vesting Date (or within 30 days thereafter) or (ii) a Change in Control in which the Restricted Stock Units do not continue, in each case, as determined by the Committee in its sole discretion (A) in Stock by either, (x) issuing one or more certificates evidencing the Stock to the Participant or (y) registering the issuance of the Stock in the name of the Participant through a book entry credit in the records of the Company's transfer agent, (B) by a cash payment equal to the Fair Market Value of the Stock on the settlement date or (C) in the event of settlement upon a Change in Control, a cash payment equal to the Change in Control Price, multiplied by the number of vested Restricted Stock Units. No fractional shares of Stock shall be issued in settlement of Restricted Stock Units. Fractional Restricted Stock Units shall be settled through a cash payment equal to the Fair Market Value of the Stock on the settlement date.

4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Participant may not sell the shares of Stock acquired upon vesting of the Restricted Stock Units unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable laws and regulations governing the shares and Participant may not sell the shares of Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

5. Participant's Rights with Respect to the Restricted Stock Units.

(a) Restrictions on Transferability. The Restricted Stock Units granted hereby are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including without limitation by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that the deceased Participant's beneficiary or representative of the Participant's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder including any voting, dividend or other rights or privileges as a stockholder of the Company with respect to any Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Stock are issued to the Participant in respect thereof.

6. Adjustment in Capitalization. The number, class or other terms of any outstanding Restricted Stock Units shall be adjusted by the Committee to reflect any extraordinary dividend, stock dividend, stock split or share combination or any recapitalization, business combination, merger, consolidation, spin-off, exchange of shares, liquidation or dissolution of the Company or other similar transaction affecting the Stock in such manner as it determines in its sole discretion.

7. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries.

(c) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(d) Tax Withholding. The Company and its Subsidiaries shall have the right to deduct from all amounts paid to the Participant in cash (whether under the Plan or otherwise) any amount of taxes required by law to be withheld in respect of settlement of the Restricted Stock Units under the Plan as may be necessary in the opinion of the Employer to satisfy tax withholding required under the laws of any country, state, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld. The Company may require the recipient of shares of Stock or the cash, as applicable, to remit to the Company an amount in cash sufficient to satisfy the amount of taxes required to be withheld as a condition to the issuance of shares or payment of cash in settlement of the Restricted Stock Units. The Committee may, in its discretion, require the Participant, or permit the Participant to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold or sell the least number of whole shares of Stock having a Fair Market Value sufficient to satisfy all or part of the amount required to be withheld. The Company may defer settlement until such requirements are satisfied.

(e) Forfeiture for Financial Reporting Misconduct. In the event that the Participant commits misconduct or gross negligence (whether or not such misconduct or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct or gross negligence the Company restates any of its financial statements, then the Company may require any or all of the following: (a) that the Participant forfeit some or all of the Restricted Stock Units subject to this Agreement held by such Participant at the time of such restatement, (b) that the Participant forfeit some or all of shares of Stock held by the Participant at the time of such restatement that had been received in settlement of Restricted Stock Units subject to this Agreement during the twelve-month period (or such other period as determined by the Committee) prior to the financial restatement, and (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Stock that had been received in settlement of any Restricted Stock Units subject to this Agreement within the period commencing twelve months (or such other period as determined by the Committee) prior to the financial restatement. The Company may also cancel or reduce, or require a Participant to forfeit and disgorge to the Company or reimburse the Company for, any Restricted Stock Units granted or vested and any gains earned or accrued, due to the vesting or settlement of Restricted Stock Units or sale of any Stock acquired in settlement of a Restricted Stock Unit, to the extent permitted or required by, or pursuant to any Company policy implemented as required by, applicable law, regulation or stock exchange rule as from time to time may be in effect (including but not limited to The Dodd–Frank Wall Street Reform and Consumer Protection Act and regulations and stock exchange rules promulgated pursuant to or as a result of such Act).

(f) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(g) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant acknowledges: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Restricted Stock Units is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Stock is unknown and cannot be predicted with certainty.

(h) Employee Data Privacy. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant: (a) authorizes the Company and the Participant's employer, if different, any agent of the Company administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its affiliates any information and data the Company requests in order to facilitate the grant of the Award and the administration of the Plan; (b) waives any data privacy rights the Participant may have with respect to such information; and (c) authorizes the Company and its agents to store and transmit such information in electronic form.

(i) Consent to Electronic Delivery. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Restricted Stock Units via Company website, email or other electronic delivery.

(j) Specified Employee Delay. If the Participant is deemed a "specified employee" within the meaning of Section 409A of the Code, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the Restricted Stock Units upon his or her "separation from service" within the meaning of Section 409A of the Code, then to the extent necessary to prevent any accelerated or additional tax under Section 409A of the Code, such settlement will be delayed until the earlier of: (a) the date that is six months following the Participant's Termination of Service and (b) the Participant's death. Notwithstanding anything to the contrary in this Agreement, if settlement is to occur upon a Termination of Service other than due to death or Disability and the Participant is a Specified Employee and the Units are a Specified Award, to the extent necessary to comply with, and avoid imposition on the Participant of any additional tax or interest imposed under, Section

409A of the Code, settlement shall instead occur on the first business day following the six-month anniversary of the Participant's Termination of Service (or, if earlier, upon the Participant's death), or as soon thereafter as practicable (but no later than 90 days thereafter).

(k) Headings and Captions. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(l) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Exhibit D

THE GOGO INC.
2016 OMNIBUS INCENTIVE PLAN
PERFORMANCE NON-STATUTORY STOCK OPTION
AWARD NOTICE

Oakleigh Thorne
63 Front Street
Millbrook, NY 12545

You have been granted an option to purchase shares of common stock, $0.0001 par value, of Gogo Inc. (the "Company"), pursuant to the terms and conditions of the Gogo Inc. 2016 Omnibus Incentive Plan (the "Plan") and the Performance Stock Option Agreement (together with this Award Notice, the "Agreement"). Copies of the Plan and the Performance Stock Option Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Performance Options:	You have been awarded a non-statutory stock option to purchase from the Company 86,750 shares of its common stock, $0.0001 par value, subject to vesting and the achievement of certain performance goals specified below (the "Performance Options") and adjustment as provided in Section 6 of the Agreement.
Grant Date:	March 4, 2018
Exercise Price:	$9.39 per share, subject to adjustment as provided in Section 6 of the Agreement.
Employment Agreement:	To the extent more favorable to you, the terms and conditions set forth in your Employment Agreement dated as of March 4, 2018 ("Employment Agreement") that expressly apply to the Awards granted pursuant to this Agreement shall supersede the terms and conditions of the Agreement and the Plan to the extent applicable.
Vesting Schedule:	Except as expressly provided otherwise in your Employment Agreement, the Performance Options shall vest when they have both time vested and performance vested, subject to your continuous employment by the Company or one of its Affiliates through the applicable vesting date.

	Time Vesting: The Performance Options shall time vest in equal annual installments on the first four anniversaries of March 4, 2018. Performance Vesting: The Performance Options shall performance vest at such time, if any, as the per share closing price of Common Stock on the NASDAQ market during the period beginning on the grant date and ending on the fourth year anniversary of March 4, 2018 equals or exceeds $25 for a period of 30 consecutive trading days. Any Performance Options that has not performance vested by the fourth anniversary of March 4, 2018 shall be forfeited.
<u>Expiration Date</u>:	Except to the extent earlier terminated pursuant to Section 3 of the Agreement or earlier exercised pursuant to Section 3 of the Agreement, the Performance Options shall terminate at 5:00 p.m., Central time, on the tenth anniversary of the Grant Date.

Gogo Inc.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Acknowledgment, Acceptance and Agreement:

By signing this Award Notice to Gogo Inc., you hereby acknowledge receipt of the Agreement and the Plan, accept the Performance Options granted to me, represents to the Company that you have read and understood the Agreement and the Plan, agree that the Performance Options are subject to the terms and conditions of the Agreement and the Plan and agree to be bound by the terms of the Agreement and the Plan. **ACCORDINGLY, PLEASE BE SURE TO READ ALL OF THE PLAN AND THE AGREEMENT, WHICH CONTAIN THE SPECIFIC TERMS AND CONDITIONS OF THE PERFORMANCE OPTIONS.**

If you do not execute and deliver this Award Notice within 30 days from the date of receipt of this Award Notice, the Performance Options will be forfeited.

/s/ Oakleigh Thorne
Oakleigh Thorne

3/4/18
Date

PERFORMANCE STOCK OPTION AGREEMENT

PERFORMANCE STOCK OPTION AGREEMENT (the "Agreement"), dated as of the Grant Date set forth in the Notice of Grant (as defined below), between Gogo Inc., a Delaware corporation (the "Company"), and the Participant whose name appears in the Notice of Grant (the "Participant"), pursuant to the Gogo Inc. 2016 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan"). Capitalized terms that are not defined herein shall have the meanings given to such terms in the Plan.

1. Confirmation of Grant, Option Price.

(a) Confirmation of Grant. The Company hereby evidences and confirms the grant to the Participant of options to purchase the number of shares of Stock (the "Options") set forth in the Gogo Inc. 2016 Omnibus Incentive Plan Performance Non-Statutory Stock Option Grant Notice delivered by the Company to the Participant (the "Notice of Grant"). The Options are not intended to be incentive stock options under the U.S. Internal Revenue Code of 1986, as amended. This Agreement is entered into pursuant to, and the terms of the Options are subject to, the terms and conditions of the Plan, which is incorporated by reference herein. If there is any inconsistency between this Agreement and the terms of the Plan, the terms of the Plan shall govern. The Options shall be considered a Performance Award under the Plan.

(b) Exercise Price. The Options shall have the Exercise Price set forth in the Notice of Grant.

2. Vesting, Exercisability and Exercise.

(a) Vesting. Except as otherwise provided in Section 3, the Options shall vest and become exercisable, if at all, as of the date both time vesting and performance vesting conditions are satisfied as set forth in the Notice of Grant, subject to the continuous employment of the Participant with the Company or a Subsidiary until the applicable vesting date. If any Option does not performance vest within the applicable performance period set forth in the Notice of Grant, such Option shall be forfeited as provided in the Notice of Grant.

(b) Exercise; Condition to Exercise. Once vested and exercisable in accordance with the provisions of this Agreement, the Options may be exercised at any time and from time to time prior to the date such Options terminate pursuant to Section 3. The Participant may exercise all or a portion of the Options by giving notice to the Company or a brokerage firm designated or approved by the Company, in form and substance satisfactory to the Company, which will state the Participant's election to exercise the Options and the number of shares of Stock for which the Participant is exercising Options. The notice must be accompanied by full payment of the exercise price for the number of shares of Stock the Participant is purchasing. The Participant may make this payment in any combination of the following: (a) by cash; (b) by check acceptable to the Company; (c) by tendering (either actually or by attestation) shares of Stock the Participant has owned for at least six months (if such holding period is necessary to avoid a charge to the Company's earnings); (d) to the extent permitted by law, by instructing a broker to deliver to the Company the total payment required in accordance with procedures established by the Company; or (e) by any other method permitted by the Committee.

(c) Cashless Exercise. In lieu of tendering the exercise price to the Company in accordance with Section 2(b), the Participant may elect to perform a "Cashless Exercise" of the Options, in whole or in part, by surrendering the Options to the Company, marked "Cashless Exercise" and designating the number of shares of Stock desired by the Participant out of the total for which Options are exercisable. The Participant shall thereupon be entitled to receive the number of shares of Stock having a Fair Market Value equal to the excess of (i) the then Fair Market Value per share of Stock multiplied by the number of the shares of Stock into which the Options designated by the Participant would have been exercisable pursuant to Section 2(b) upon payment of the exercise price by the Participant over (ii) the exercise price the Participant would have been required to pay under Section 2(b) in respect of such an exercise.

3. Termination of Options

(a) Normal Expiration Date. Unless earlier terminated pursuant to Section 3(b), the Options shall terminate on the tenth anniversary of the Grant Date (the "Normal Expiration Date"), if not exercised prior to such date.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If a Participant's employment with the Company terminates due to death, Disability or Retirement, the Options shall be deemed time vested to the extent of the number of Options that would have time vested had the Participant's Service continued until the next time vesting date immediately following the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and may thereafter be exercised by the Participant or the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement, as the case may be, and (ii) the Normal Expiration Date. Any remaining Options that have not time vested shall immediately be forfeited and canceled effective as of the date of the Participant's death or effective date of the Participant's Termination of Service due to Disability or Retirement. If any Options have time vested (including pursuant to this Section 2(b)(i)) but not yet performance vested, such Options shall continue to be eligible for performance vesting through the 90th day following the date of Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement. Any Options that have not vested during such period following the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement shall be forfeited effective as of the date of the Participant's death or the effective date of the Participant's Termination of Service. For purposes of this Agreement, "Retirement" shall mean a Participant's Termination of Service with the Company (other than a termination for Cause) occurring on or after the date on which either (x) the Participant reaches the age of 65 or (y) the Participant's age plus years of service equal seventy-five (75) (as determined by the Committee in its sole discretion).

(ii) Cause. If a Participant's employment with the Company is terminated by the Company for Cause, the Option, whether or not vested, shall terminate immediately upon such Termination of Service.

(iii) Other Reasons. Except as expressly provided otherwise in the Participant's agreement with the Company or any Subsidiary, if a Participant's employment with the Company is terminated due to circumstances other than as set forth in Sections 3(b)(i) or (ii), the Option shall be vested only to the extent it is vested on the effective date of the Participant's Termination of Service and may thereafter be exercised by the Participant until and including the earliest to occur of (i) the date which is 90 days after the effective date of the Participant's Termination of Service, (ii) the date the Participant breaches an employment, noncompetition, nonsolicitation, confidentiality, inventions or similar agreement between the Company and the Participant (an "Employment Agreement") and (iii) the Normal Expiration Date.

(iv) Death Following Termination. If the Participant dies during the period set forth in Section 3(b)(i) or (iii), the Option shall be vested only to the extent it is vested on the date of death and may thereafter be exercised by the Participant's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of death and (ii) the Normal Expiration Date.

(c) Change in Control. In the event of a Change in Control, then Options shall time vest in accordance with the Plan and performance vest if the Change in Control Price equals or exceeds the stock price in the applicable performance vesting conditions as set forth in the Notice of Grant and shall continue or be settled as set forth in the Plan. Notwithstanding anything to the contrary contained in the Plan, "Change in Control" for purposes of this Agreement shall mean:

(i) the acquisition by any person, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company's then outstanding voting securities, excluding acquisitions by the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto); or

(ii) the consummation of a reorganization, merger or consolidation of the Company or the sale of all or substantially all of the assets of the Company, in each case with respect to which the persons who held equity interests in the Company immediately prior to such reorganization, merger, consolidation or sale or the Thorne Affiliates do not immediately thereafter own, directly or indirectly, 50% or more of the combined voting power of the then outstanding securities of the surviving or resulting corporation or other entity.

in each case, provided that such event constitutes a "change in control" within the meaning of Section 409A of the Code.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code or as a result of any restructuring that occurs as a result of any such proceeding.

4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Participant may not sell the shares of Stock acquired upon exercise of the Options unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of such shares must also comply with other applicable laws and regulations governing the shares and Participant may not sell the shares of Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

5. Participant's Rights with Respect to the Options.

(a) Restrictions on Transferability. The Options granted hereby are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, hedged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including without limitation by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that the deceased Participant's beneficiary or representative of the Participant's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder including any voting, dividend or other rights or privileges as a stockholder of the Company with respect to any Stock underlying the Options unless and until shares of Stock are issued to the Participant upon exercise thereof.

6. Adjustments. The number, class and Exercise Price of the shares of Stock covered by the Options shall be adjusted by the Committee to reflect any extraordinary dividend, stock dividend, stock split or share combination or any recapitalization, business combination, merger, consolidation, spin-off, exchange of shares, liquidation or dissolution of the Company or other similar transaction affecting the Stock in such manner as the Board determines in its sole discretion.

7. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries.

(c) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(d) Tax Withholding. The Company and its Subsidiaries shall have the right to deduct from all amounts paid to a Participant in cash (whether under the Plan or otherwise) any amount of taxes required by law to be withheld in respect of the Options as may be necessary in the opinion of the Employer to satisfy tax withholding required under the laws of any country, state, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld. The Company may require the recipient of the shares of Stock to remit to the Company an amount in cash sufficient to satisfy the amount of taxes required to be withheld as a condition to the issuance of such shares. The Committee may, in its discretion, require the Participant to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold or the Participant sell the least number of whole shares of Stock having a Fair Market Value sufficient to satisfy all or part of the amount required to be withheld.

(e) Forfeiture for Financial Reporting Misconduct. In the event that the Participant commits misconduct or gross negligence (whether or not such misconduct or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct or gross negligence the Company restates any of its financial statements, then the Company may require any or all of the following: (a) that the Participant forfeit some or all of the Options subject to this Agreement held by such Participant at the time of such restatement, (b) that the Participant forfeit some or all of shares of Stock held by the Participant at the time of such restatement that had been received upon exercise of Options subject to this Agreement during the twelve-month period (or such other period as determined by the Committee) prior to the financial restatement, and (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Stock that had been received upon exercise of any Options subject to this Agreement within the period commencing twelve months (or such other period as determined by the Committee) prior to the financial restatement. The Company may also cancel or reduce, or require a Participant to forfeit and disgorge to the Company or reimburse the Company for, any Options granted or vested and any gains earned or accrued, due to the vesting or exercise of Options or sale of any Stock acquired upon exercise of an Option, to the extent permitted or required by, or pursuant to any Company policy implemented as required by, applicable law, regulation or stock exchange rule as from time to time may be in effect (including but not limited to The Dodd–Frank Wall Street Reform and Consumer Protection Act and regulations and stock exchange rules promulgated pursuant to or as a result of such Act).

(f) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(g) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Options evidenced hereby, the Participant acknowledges: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Options is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Stock is unknown and cannot be predicted with certainty.

(h) Employee Data Privacy. By entering into this Agreement and accepting the Options evidenced hereby, the Participant: (a) authorizes the Company, the Participant's employer, if different, and any agent of the Company administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its affiliates any information and data the Company requests in order to facilitate the grant of the Award and the administration of the Plan; (b) waives any data privacy rights the Participant may have with respect to such information; and (c) authorizes the Company and its agents to store and transmit such information in electronic form.

(i) Consent to Electronic Delivery. By entering into this Agreement and accepting the Options evidenced hereby, Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Options via Company website, email or other electronic delivery.

(j) Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of this Agreement, and shall not be employed in the construction of this Agreement.

(k) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Exhibit E

GOGO INC.
2016 OMNIBUS INCENTIVE PLAN
PERFORMANCE RESTRICTED STOCK UNIT
NOTICE OF GRANT

Oakleigh Thorne
63 Front Street
Millbrook, NY 12545

You have been granted a number of performance restricted stock units set forth below, representing the right to receive shares of common stock of Gogo Inc. (the "Company"), pursuant to the terms and conditions of the Gogo Inc. 2016 Omnibus Incentive Plan (the "Plan") and the Performance Restricted Stock Unit Agreement (together with this Notice of Grant, the "Agreement"). Copies of the Plan and the Performance Restricted Stock Unit Agreement are attached hereto and incorporated herein in their entirety. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Performance RSU:	You have been awarded 13,250 restricted stock units, subject to vesting and the achievement of certain performance goals specified below (the "Performance RSUs"), representing the right to receive 13,250 shares of the Company's common stock, $0.0001 par value, subject to adjustment as provided in Section 6 of the Agreement.
Grant Date:	March 4, 2018
Employment Agreement:	To the extent more favorable to you, the terms and conditions set forth in your Employment Agreement dated as of March 4, 2018 ("Employment Agreement") that expressly apply to the Awards granted pursuant to this Agreement shall supersede the terms and conditions of the Agreement and the Plan to the extent applicable.
Vesting Schedule:	Except as expressly provided otherwise in your Employment Agreement, the Performance RSUs shall vest when they have both time vested and performance vested, subject to your continuous employment by the Company or one of its Affiliates through the applicable vesting date.

Time Vesting: The Performance RSUs shall time vest in equal annual installments on the first four anniversaries of March 4, 2018.

Performance Vesting: The Performance RSUs shall performance vest at such time, if any, as the per share closing price of Common Stock on the NASDAQ market during the period beginning on the grant date and ending on the fourth year anniversary of March 4, 2018 equals or exceeds $25 for a period of 30 consecutive trading days.

Any Performance RSUs that has not performance vested by the fourth anniversary of March 4, 2018 shall be forfeited.

Gogo Inc.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Acknowledgment, Acceptance and Agreement:

By signing this Award Notice to Gogo Inc., you hereby acknowledge receipt of the Agreement and the Plan, accept the Performance RSUs granted to me, represents to the Company that you have read and understood the Agreement and the Plan, agree that the Performance RSUs are subject to the terms and conditions of the Agreement and the Plan and agree to be bound by the terms of the Agreement and the Plan. **ACCORDINGLY, PLEASE BE SURE TO READ ALL OF THE PLAN AND THE AGREEMENT, WHICH CONTAIN THE SPECIFIC TERMS AND CONDITIONS OF THE PERFORMANCE RSUs.**

If you do not execute and deliver this Award Notice within 30 days from the date of receipt of this Award Notice, the Performance RSUs will be forfeited.

/s/ Oakleigh Thorne
Oakleigh Thorne

3/4/18
Date

PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT

PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the "Agreement") dated as of the Grant Date set forth in the Notice of Grant (as defined below), by and between Gogo Inc., a Delaware corporation (the "Company"), and the participant whose name appears in the Notice of Grant (the "Participant"), pursuant to the Gogo Inc. 2016 Omnibus Incentive Plan, as in effect and as amended from time to time (the "Plan"). Capitalized terms that are not defined herein shall have the meanings given to such terms in the Plan.

1. Grant of Restricted Stock Units. The Company hereby evidences and confirms its grant to the Participant, effective as of the Grant Date, of the number of restricted stock units (the "Restricted Stock Units") specified in the Gogo Inc. 2016 Omnibus Incentive Plan Performance Restricted Stock Unit Grant Notice delivered by the Company to the Participant (the "Notice of Grant"). This Agreement is subordinate to, and the terms and conditions of the Restricted Stock Units granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms hereof and the terms of the Plan, the terms of the Plan shall govern. The Restricted Stock Units shall be considered Performance Awards under the Plan.

2. Vesting of Restricted Stock Units.

(a) Vesting. Except as otherwise provided in this Section 2, the Restricted Stock Units shall vest, if at all, as of the date that both time vesting and performance vesting conditions are satisfied (each such date, a "Vesting Date", and the date a time vesting condition is satisfied, a "Time Vesting Date")) as set forth in the Notice of Grant, subject to the continued employment of the Participant by the Company or any Subsidiary thereof through such date. If any Restricted Stock Unit does not performance vest within the applicable performance period set forth in the Notice of Grant, such Restricted Stock Unit shall be forfeited as provided in the Notice of Grant.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If a Participant's employment with the Company terminates due to death, Disability or Retirement, prior to the Vesting Date, the Restricted Stock Units shall be deemed time vested to the extent of the number of Restricted Stock Units that would have time vested had the Participant's Service continued until the next Time Vesting Date immediately following the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement. Any remaining Restricted Stock Units that are not time vested shall immediately be forfeited and canceled effective as of the date of the Participant's death or effective date of the Participant's Termination of Service due to Disability or Retirement. If any Restricted Stock Units have time vested (including pursuant to this Section 2(b)(i)) but not yet performance vested, such Restricted Stock Units shall continue to be eligible for performance vesting through the 90th day following the date of the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement. Any Restricted Stock Units that have not vested during such period following the Participant's death or the effective date of the Participant's Termination of Service due to Disability or Retirement shall be forfeited effective as of the date of the Participant's death or the effective date of the Participant's Termination of Service. For purposes of this Agreement, "Retirement" shall mean a Participant's Termination of Service with the Company (other than a termination for Cause) occurring on or after the date on which either (x) the Participant reaches the age of 65 or (y) the Participant's age plus years of service equal seventy-five (75) (as determined by the Committee in its sole discretion).

(ii) Other Terminations. Except as expressly provided otherwise in the Participant's agreement with the Company or any Subsidiary, if a Participant's employment with the Company is terminated due to circumstances other than as set forth in Section 2(b)(i) the Restricted Stock Units shall be vested only to the extent they are vested as of the effective date of the Participant's Termination of Service, and all unvested Restricted Stock Units shall be forfeited and cancelled, as of such effective date.

(c) Change in Control. In the event of a Change in Control, then Restricted Stock Units shall time vest in accordance with the Plan and performance vest if the Change in Control Price equals or exceeds the stock price in the applicable performance vesting conditions as set forth in the Notice of Grant and shall continue or be settled as provided in the Plan. Notwithstanding anything to the contrary contained in the Plan, "Change in Control" for purposes of this Agreement shall mean:

(i) the acquisition by any person, entity or "group" (within the meaning of Section 13(d)(3) or 14(d)(2), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company's then outstanding voting securities, excluding acquisitions by the Thorne Affiliates (as defined in the Stockholders Agreement, dated as of December 31, 2009, between Parent and the stockholders who are party thereto); or

(ii) the consummation of a reorganization, merger or consolidation of the Company or the sale of all or substantially all of the assets of the Company, in each case with respect to which the persons who held equity interests in the Company immediately prior to such reorganization, merger, consolidation or sale or the Thorne Affiliates do not immediately thereafter own, directly or indirectly, 50% or more of the combined voting power of the then outstanding securities of the surviving or resulting corporation or other entity.

in each case, provided that such event constitutes a "change in control" within the meaning of Section 409A of the Code.

Notwithstanding the foregoing, a "Change in Control" shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code or as a result of any restructuring that occurs as a result of any such proceeding.

(d) Committee Discretion. Notwithstanding anything contained in this Agreement to the contrary, subject to Section 15(m) of the Plan, the Committee, in its sole discretion, may accelerate the vesting with respect to any Restricted Stock Units under this Agreement, at such times and upon such terms and conditions as the Committee shall determine.

3. Settlement of Restricted Stock Units. Subject to Section 7(d), the Company shall deliver to the Participant one share of Stock (or the value thereof) in settlement of each outstanding Restricted Stock Unit that has vested as provided in Section 2 on the first to occur of (i) the Vesting Date (or within 60 days thereafter) or (ii) a Change in Control in which the Restricted Stock Units do not continue, in each case, as determined by the Committee in its sole discretion (A) in Stock by either, (x) issuing one or more certificates evidencing the Stock to the Participant or (y) registering the issuance of the Stock in the name of the Participant through a book entry credit in the records of the Company's transfer agent, (B) by a cash payment equal to the Fair Market Value of the Stock on the settlement date or (C) in the event of settlement upon a Change in Control, a cash payment equal to the Change in Control Price, multiplied by the number of vested Restricted Stock Units. No fractional shares of Stock shall be issued in settlement of Restricted Stock Units. Fractional Restricted Stock Units shall be settled through a cash payment equal to the Fair Market Value of the Stock on the settlement date.

4. Securities Law Compliance. Notwithstanding any other provision of this Agreement, the Participant may not sell the shares of Stock acquired upon vesting of the Restricted Stock Units unless such shares are registered under the Securities Act of 1933, as amended (the "Securities Act"), or, if such shares are not then so registered, such sale would be exempt from the registration requirements of the Securities Act. The sale of

such shares must also comply with other applicable laws and regulations governing the shares and Participant may not sell the shares of Stock if the Company determines that such sale would not be in material compliance with such laws and regulations.

5. Participant's Rights with Respect to the Restricted Stock Units.

(a) Restrictions on Transferability. The Restricted Stock Units granted hereby are not assignable or transferable, in whole or in part, and may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including without limitation by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that the deceased Participant's beneficiary or representative of the Participant's estate shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder including any voting, dividend or other rights or privileges as a stockholder of the Company with respect to any Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Stock are issued to the Participant in respect thereof.

6. Adjustment in Capitalization. The number, class or other terms of any outstanding Restricted Stock Units shall be adjusted by the Committee to reflect any extraordinary dividend, stock dividend, stock split or share combination or any recapitalization, business combination, merger, consolidation, spin-off, exchange of shares, liquidation or dissolution of the Company or other similar transaction affecting the Stock in such manner as it determines in its sole discretion.

7. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries.

(c) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(d) Tax Withholding. The Company and its Subsidiaries shall have the right to deduct from all amounts paid to the Participant in cash (whether under the Plan or otherwise) any amount of taxes required by law to be withheld in respect of settlement of the Restricted Stock Units under the Plan as may be necessary in the opinion of the Employer to satisfy tax withholding required under the laws of any country, state, city or other jurisdiction, including but not limited to income taxes, capital gains taxes, transfer taxes, and social security contributions that are required by law to be withheld. The Company may require the recipient of shares of Stock or the cash, as applicable, to remit to the Company an amount in cash sufficient to satisfy the amount of taxes required to be withheld as a condition to the issuance of shares or payment of cash in settlement of the Restricted Stock Units. The Committee may, in its discretion, require the Participant, or permit the Participant to elect, subject to such conditions as the Committee shall impose, to meet such obligations by having the Company withhold or sell the least number of whole shares of Stock having a Fair Market Value sufficient to satisfy all or part of the amount required to be withheld. The Company may defer settlement until such requirements are satisfied.

(e) Forfeiture for Financial Reporting Misconduct. In the event that the Participant commits misconduct or gross negligence (whether or not such misconduct or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct or gross negligence the Company restates any of its financial statements, then the Company may require any or all of the following: (a) that the Participant forfeit some or all of the Restricted Stock Units subject to this Agreement held by such Participant at the time of such restatement, (b) that the Participant forfeit some or all of shares of Stock held by the Participant at the time of such restatement that had been received in settlement of Restricted Stock Units subject to this Agreement during the twelve-month period (or such other period as determined by the Committee) prior to the financial restatement, and (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Stock that had been received in settlement of any Restricted Stock Units subject to this Agreement within the period commencing twelve months (or such other period as determined by the Committee) prior to the financial restatement. The Company may also cancel or reduce, or require a Participant to forfeit and disgorge to the Company or reimburse the Company for, any Restricted Stock Units granted or vested and any gains earned or accrued, due to the vesting or settlement of Restricted Stock Units or sale of any Stock acquired in settlement of a Restricted Stock Unit, to the extent permitted or required by, or pursuant to any Company policy implemented as required by, applicable law, regulation or stock exchange rule as from time to time may be in effect (including but not limited to The Dodd–Frank Wall Street Reform and Consumer Protection Act and regulations and stock exchange rules promulgated pursuant to or as a result of such Act).

(f) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(g) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant acknowledges: (a) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (b) that the Award does not create any contractual or other right to receive future grants of Awards; (c) that participation in the Plan is voluntary; (d) that the value of the Restricted Stock Units is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (e) that the future value of the Stock is unknown and cannot be predicted with certainty.

(h) Employee Data Privacy. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant: (a) authorizes the Company and the Participant's employer, if different, any agent of the Company administering the Plan or providing Plan recordkeeping services, to disclose to the Company or any of its affiliates any information and data the Company requests in order to facilitate the grant of the Award and the administration of the Plan; (b) waives any data privacy rights the Participant may have with respect to such information; and (c) authorizes the Company and its agents to store and transmit such information in electronic form.

(i) Consent to Electronic Delivery. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Restricted Stock Units via Company website, email or other electronic delivery.

(j) Specified Employee Delay. If the Participant is deemed a "specified employee" within the meaning of Section 409A of the Code, as determined by the Committee, at a time when the Participant becomes eligible for settlement of the Restricted Stock Units upon his or her "separation from service" within the meaning of Section 409A of the Code, then to the extent necessary to prevent any accelerated or additional tax under Section 409A of the Code, such settlement will be delayed until the earlier of: (a) the date that is six months following the Participant's Termination of Service and (b) the Participant's death. Notwithstanding anything to the contrary in this Agreement, if settlement is to occur upon a Termination of Service other than due to death or Disability and the Participant is a Specified Employee and the Units are a Specified Award, to the extent necessary to comply with, and avoid imposition on the Participant of any additional tax or interest imposed under, Section 409A of the Code, settlement shall instead occur on the first business day following the six-month anniversary of the Participant's Termination of Service (or, if earlier, upon the Participant's death), or as soon thereafter as practicable (but no later than 90 days thereafter).

(k) Headings and Captions. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(l) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

Exhibit F

GENERAL RELEASE

This Release and Waiver of Claims ("Release") is entered into as of this day of 20 , between Gogo Inc. and any successor thereto (collectively, the "Company") and the undersigned.

The Company and the undersigned agree as follows:

1. The employment relationship between the undersigned and the Company and its subsidiaries and affiliates, as applicable, terminated on (the "Termination Date").

2. In accordance with that certain employment agreement, dated as of March 4, 2018, between the undersigned and the Company (the "Employment Agreement"), the undersigned is entitled to receive certain payments and benefits after the Termination Date.

3. In consideration of the above, I hereby, on my own behalf and on behalf of anyone claiming through me, release the Company and (i) its past, present, and future parents, divisions, subsidiaries, partnerships, affiliates, and other related entities (whether or not they are wholly owned); (ii) the past, present, and future owners, trustees, fiduciaries, administrators, shareholders, directors, officers, partners, agents, representatives, members, associates, employees, and attorneys of each entity listed in clause (i) of this paragraph; and (iii) the predecessors, successors, and assigns of each entity listed in clauses (i) and (ii) of this paragraph with respect to any and all claims, whether currently known or unknown, that I now have, have ever had, or may ever have against the Company and/or any of the other Released Parties arising from or related to any act or omission occurring prior to or on the date on which I sign this Release. Without limiting the foregoing, the claims released by me hereunder include, but are not limited to:

A. all claims for or related in any way to my employment, compensation, other terms and conditions of employment, or termination from employment with the Company, including without limitation all claims for salary, bonus, severance pay, or any other compensation or benefit;

B. all claims that were or could have been asserted by me or on my behalf: (i) in any federal, state, or local court, commission, or agency; (ii) under any common law theory; or (iii) under any employment, contract, tort, federal, state, or local law, regulation, ordinance, constitutional provision, or executive order; and

C. all claims that were or could have been asserted by the Employee or on the Employee's behalf arising under any of the following laws, as amended from time to time: [the Age Discrimination in Employment Act of 1967 , Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Employee Retirement Income Security Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Illinois Human Rights Act],[1] any state labor code, any equivalent local laws, statutes and ordinances and any existing employment agreement or potential entitlement under any Company program or plan.

4. This Release does not apply to and does not release:

A. Any right to payments or benefits pursuant to Section 9(a) of the Employment Agreement;

B. My entitlement to receive any benefits that I may have earned under the Plan and any vested award granted thereunder in accordance with the terms and conditions of the applicable award agreement based on my employment with the Company;

C Indemnification to which I am entitled as a current or former director or officer of any member of the Company; and

D. Vested benefits under the general employee benefit plans of the Company (other than severance pay or termination benefits not provided in the Employment Agreement, all rights to which are hereby waived and released).

5. I represent that I have returned to the Company all Company property, including without limitation, reports, files, records, computer hardware, software, credit cards, door and file keys, card keys, and other physical or personal property that I received or prepared or helped prepare in connection with my employment with the Company and that I have not retained any copies, duplicates, reproductions or excerpts thereof.

6. I acknowledge and agree that I continue to be bound by and obligated to comply with the obligations contained in the Employee Proprietary Information and Inventions Agreement previously entered into between me and the Company.

7. I agree to make myself reasonably available (taking into account my personal and professional schedule) to provide reasonable assistance in any matters pertaining to the Company business that I conducted or had knowledge of during the course of my employment with the Company.

1 Provisions to be updated to reflect applicable federal, state and local laws, statutes and ordinances.

8. I acknowledge that I have been advised by the Company that I should consult with legal counsel of my choice in deciding whether to sign this Release. I understand that I may take up to twenty-one (21) days from the Separation Date to return a signed copy to the Company. Finally, I understand that I may revoke my acceptance of this Release by notifying the Company in writing of my decision to revoke my acceptance within seven (7) days after I have delivered the executed copy to the Company (the "Revocation Period"). I understand that, if I revoke my acceptance of this Release within the Revocation Period, this Release will be null and void, and the Company will have no obligation to provide me with any of the payments and/or other benefits to be received by me from the Company as described in Paragraph 2 of the Separation Agreement and General Release between the Company and me. Finally, I understand that, if I do not revoke my acceptance of this Release during the Revocation Period, this Release will go into effect on the eighth (8^{th}) day after I have delivered an executed copy to the Company.

I agree to the terms and conditions set forth in this Release.

Name: Oakleigh Thorne	Date

SEPARATION AGREEMENT AND GENERAL RELEASE

This Separation Agreement and General Release (the "Agreement"), dated as of March 5, 2018 (the "Effective Date), is entered into by and between Gogo LLC (the "Company"), Gogo Inc. ("Parent") and Michael Small (the "Employee" and together with the Company and Parent, each, individually, a "Party," and collectively, the "Parties").

WHEREAS, the Employee is currently employed by the Company as its President and Chief Executive Officer pursuant to the Employment Agreement, dated July 29, 2010, to which the Employee, the Company and Parent are parties (the "Employment Agreement");

WHEREAS, pursuant to that certain Officer Indemnification Agreement between the Employee and Parent dated June 21, 2013 ("Officer Indemnification Agreement"), Parent assumed certain indemnification obligations related to the Employee and Employee's status as an officer of Parent or one or more of Parent's subsidiaries;

WHEREAS, the Company and the Employee have agreed that the Employee will separate from employment with the Company and resign as director of Parent, both effective as of March 4, 2018 ("Separation Date"); and

WHEREAS, the Employee and the Company desire to enter into an agreement regarding the Employee's separation from employment with the Company and resignation as director of Parent and a release of claims.

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Company and the Employee agree as follows:

1. Subject to the terms and conditions of this Agreement, in consideration of the Employee's promises herein, and provided that the Employee does not revoke his execution of this Agreement pursuant to Paragraph 16 below, the Employee's employment with the Company will terminate at the close of business on the Separation Date. From the date hereof through the Separation Date, the Employee will continue to receive his current base salary, his current benefits and be reimbursed for any business expenses. The Employee hereby resigns, effective as of the Separation Date, from employment with and as director of Parent, the Company and their subsidiaries and affiliates in all respects, including without limitation from each officer, executive or director position held with Parent, the Company and their subsidiaries and affiliates.

2. The Company and the Employee understand and agree as follows:

   A. The Company shall pay the Employee $58,333, less tax withholding to the extent required by law, which represents an amount equal to thirty (30) days of the Employee's current base salary as pay in lieu of notice of termination.

   B. The Company shall pay Employee a lump sum payment of $501,200, less tax withholding to the extent required by law, which represents the Employee's annual bonus that the Employee earned for the 2017 fiscal year of the Company at the same time bonuses are paid to other Company executive officers.

C. The payments in Subparagraphs 2(A) and 2(B) are not conditioned on the execution of this Agreement.

3. In consideration of entry by the undersigned into this Agreement, and subject to Subparagraph (E) of this Paragraph 3, the Employee shall be entitled to the following severance payments and benefits:

A. The Company shall pay the Employee the total gross amount of $700,000, less tax withholding to the extent required by law, which represents an amount equal to twelve (12) months of the Employee's current base pay. The Company will pay the Employee the amount described in Subparagraph 3(A) of this Agreement less required withholdings, in 12 equal installments, by direct deposit, on the Company's regular payroll dates commencing on the sixtieth day after the Separation Date and provided the Employee has returned to the Company all Company equipment and/or property, has satisfied all outstanding debts to the Company, and has paid off all amounts owed on any and all corporate credit cards.

B. The Employee holds the unvested equity awards under the Aircell Holdings Inc. Stock Incentive Plan, the Gogo Inc. 2013 Omnibus Incentive Plan or the Gogo Inc. 2016 Omnibus Incentive Plan (each a "Plan" and collectively the "Plans") or any Stock Option Agreement, Restricted Stock Agreement, Restricted Stock Unit Agreement, Performance RSU Agreement or Performance Option Agreement between the Company and Employee (collectively, the "Equity Agreements") set forth on Exhibit A attached hereto. Notwithstanding anything to the contrary contained in the Plans or the Equity Agreements, subject to Subparagraph (F) of this Paragraph 3, (i) any unvested equity awards will continue to vest on the schedule set forth on the applicable Equity Agreement for the 12-month period following the Separation Date as set forth on Exhibit A attached hereto, (ii) any time-based equity awards that are not eligible to vest in the 12-month period following the Separation Date as set forth on Exhibit A attached hereto shall vest immediately at the end of such 12-month period, (iii) any performance-based equity awards that are not eligible to vest in the 12-month period following the Separation Date as set forth on Exhibit A attached hereto shall be forfeited, cancelled and terminated, without any liability or obligation on the part of the Parent in respect thereof, as of the Separation Date, (iv) any vested options, including any options that vest pursuant to clause (i) of this Subparagraph 3(B), will remain exercisable through the end of the earlier of (x) the 24-month period following the Separation Date and (y) the tenth anniversary of the applicable grant date of the options, (v) any performance-based equity awards that remain unvested at the end of such 12-month period shall be forfeited, cancelled and terminated, without any liability or obligation on the part of the Parent in respect thereof, as of the end of such 12-month period and (vi) any vested options that remain unexercised at the end of the applicable exercise period described in clause (iv) of this Subparagraph (B) of this Paragraph 3 shall be forfeited, cancelled and terminated, without any liability or obligation on the part of the Parent in respect thereof, as of the end of such applicable exercise period. For purposes of this Subparagraph (B) of this Paragraph 3 only, the Separation Date shall be deemed to be March 14, 2018, and all time periods that are calculated with reference to the Separation Date shall be calculated from March 14, 2018.

C. Should Employee timely elect to continue coverage pursuant to COBRA, the Company will reimburse Employee, for the twelve (12) month period beginning on the Separation Date, for the COBRA premiums due to maintain health insurance coverage that is substantially equivalent to that which he received immediately prior to the Separation Date.

D. The Company shall pay the Employee the total gross amount of $250,000, less tax withholding to the extent required by law. The Company will pay the Employee the amount described in this Subparagraph 3(D) of this Agreement less required withholdings, in lump sum, by direct deposit, on the Company’s first regular payroll date that is at least five (5) business days after this Agreement becomes irrevocable and provided the Employee has returned to the Company all Company equipment and/or property, has satisfied all outstanding debts to the Company, and has paid off all amounts owed on any and all corporate credit cards.

E. The Company shall reimburse Employee for up to $25,000 of attorney’s fees incurred in connection with drafting and negotiation of this Agreement. Payment of the reimbursement will be made promptly after Employee’s submission to the Company of documentation reflecting the amount of attorney’s fees incurred in connection with drafting and negotiation of this Agreement.

F. The Company’s obligation to provide the Employee with the severance benefits described in Subparagraphs 3(A), (B), (C), (D) and (E) of this Agreement is conditioned on (a) the Employee’s execution, on or after the Separation Date, of this Agreement, and (b) the failure of the Employee to revoke his execution of this Agreement within the seven (7) day period following execution of this Agreement. If the Employee does not comply with either of these conditions (either by failing to execute this Agreement on or after the Separation Date or by revoking his execution of this Agreement within the aforementioned seven (7) day period), neither the Company nor Parent shall have any obligation to provide the Employee with any of the severance benefits described in Subparagraphs (A), (B), (C), (D) and (E) of this Paragraph. The

Employee acknowledges and agrees that the Employee would not be entitled to the benefits described in Subparagraphs (A), (B), (C), (D) and (E) of this Paragraph, if the Employee had not agreed to and fully complied with the foregoing terms and conditions set forth in this Subparagraph (F). In addition, the Company's obligation to provide the Employee with the severance benefits described in Subparagraph (B) of this paragraph 3 is conditioned on the Employee's continued compliance in all material respects with his post-termination obligations under this Agreement (including but not limited to the obligations pursuant to Sections 4 and 5 of the Employment Agreement). If the Employee does not comply in all material respects with such post-termination obligations, the Parent shall have no obligation to provide the Employee with any of the severance benefits described in Subparagraph (B). The Employee further acknowledges and agrees that the Employee would not be entitled to the benefits described in Subparagraphs (B) of this paragraph, if the Employee had not agreed to and fully complied with all of the terms and conditions set forth in this Subparagraph (F).

4. The Employee understands that the benefits set forth in Paragraphs 2 and 3 of this Agreement are all the Employee is entitled to receive from the Company except for the Plans and any Equity Agreements, in each case to the extent vested as of the date on which Employee's employment by the Company terminates except as otherwise provided in this Agreement. Employee will receive no further wage, commission, bonus or other payments from the Company. Except as set forth in this Agreement or as otherwise required by applicable law, the Employee's participation in and rights under any Plan will be governed by the terms and conditions of such Plan, which may be amended, modified, suspended or terminated by the Company at any time for any or no reason to the extent permitted by law; provided that the Company will not amend, modify, suspend, or terminate any Plan in a way that adversely affects in a manner differently than the rights of other Plan participants Employee's rights under the Plans or Equity Agreements as of the Separation Date or Employee's rights under this Agreement. The Change of Control Agreement, dated March 6, 2013, between Parent and the Employee and the Employment Agreement will terminate on the Separation Date except for those obligations in the Employment Agreement that survive termination as enumerated in Section 9(c) of the Employment Agreement.

5. Promptly after the Separation Date, the Company will make a copy of (i) the hard drive(s) for and data on Employee's computer(s) used in connection with Employee's employment with the Company; and (ii) Employee's entire e-mail, instant-messaging, and/or other electronic communication accounts used in connection with Employee's employment with the Company, including all personal, back-up, or archived folders, in each case in the Company's possession as of the Separation Date, and shall preserve such data for a period of five (5) years after the Separation Date.

6. The term "Released Parties" as used in this Agreement includes (i) the Company, its past, present, and future parents, divisions, subsidiaries, partnerships, affiliates, and other related entities (whether or not they are wholly owned); (ii) the past, present, and future owners, trustees, fiduciaries, administrators, shareholders, directors, officers, partners, agents, representatives, members, associates, employees, and attorneys of each entity listed in clause (i)

of this paragraph; and (iii) the predecessors, successors, and assigns of each entity listed in clauses (i) and (ii) of this paragraph. The term "Future Released Parties" as used in this agreements means any Released Party other than (x) the Company, its past or present parents, divisions, subsidiaries, partnerships, affiliates, and other related entities (whether or not they are wholly owned); (y) the past and present owners, trustees, fiduciaries, administrators, shareholders, directors, officers, partners, agents, representatives, members, associates, employees, and attorneys of each entity listed in clause (x) of this paragraph; and (y) the predecessors, successors, and assigns of each such entity. The term "Current Released Parties" means the Released Parties other than the Future Released Parties.

7. Employee, and anyone claiming through the Employee or on the Employee's behalf, hereby releases the Company and the other Released Parties with respect to any and all claims, whether currently known or unknown, that the Employee now has, has ever had, or may ever have against the Company and/or any of the other Released Parties arising from or related to any act or omission occurring prior to or on the date on which the Employee signs this Agreement, excepting those claims that cannot by law be waived. Without limiting the foregoing, the claims released by the Employee hereunder include, but are not limited to:

A. all claims for or related in any way to the Employee's employment or other service, compensation, other terms and conditions of employment or service, or termination from employment or service with the Company and Parent hereunder, including without limitation all claims for salary, bonus, severance pay, or any other compensation or benefit;

B. all claims that were or could have been asserted by the Employee or on the Employee's behalf: (i) in any federal, state, or local court, commission, or agency; (ii) under any common law theory; or (iii) under any employment, contract, tort, federal, state, or local law, regulation, ordinance, constitutional provision, or executive order; and

C. all claims that were or could have been asserted by the Employee or on the Employee's behalf arising under any of the following laws, as amended from time to time: the Age Discrimination in Employment Act of 1967 , Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, the Employee Retirement Income Security Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Chicago Human Rights Ordinance, the Cook County Human Rights Ordinance, the Illinois Human Rights Act, as amended, the Illinois Constitution, any state labor code, any equivalent local laws, statutes and ordinances and any existing employment agreement or potential entitlement under any Company program or plan.

The release set forth in this Paragraph does not apply to and does not release the Employee's entitlement to receive any benefits earned under any Plan or any award granted thereunder in accordance with the terms and conditions of the applicable Equity Agreement or any right to indemnification to which he is entitled as a current or former director or officer of the Company, Parent or any of their respective subsidiaries, including without limitation any right to indemnification under the Company's or Parent's organizational documents or the Officer Indemnification Agreement. In addition, the release set forth in this Paragraph does not apply to and does not release any existing claim against any Future Released Party that is not and would not be a claim against any Current Released Party. Further, in the event that a Released Party who is a natural person brings a claim against the Employee (other than as a counterclaim in defense of a claim first brought by the Employee), the release set forth in this Paragraph shall not be deemed to preclude any counterclaim brought against such natural person Released Party in compliance with Rule 11 of Federal Rules of Civil Procedure and any similar applicable state rule.

8. The Company and Parent hereby release the Employee from any and all claims (including claims on the Company or Parent's behalf), whether currently known or unknown, that the Company and/or Parent now has or has ever had against the Employee arising from or related to any act or omission occurring prior to or on the date on which the Company and/or Parent signs this Agreement through its authorized agent, except those claims that cannot by law be waived. Without limiting the foregoing, the claims released by the Company and Parent hereunder include, but are not limited to:

A. all claims for or related in any way to the Employee's employment, compensation, other terms and conditions of employment, or termination from employment with the Company hereunder, including without limitation all claims for salary, bonus, severance pay, or any other compensation or benefit; and

B. all claims that were or could have been asserted by the Company or on the Company's behalf: (i) in any federal, state, or local court, commission, or agency; (ii) under any common law theory; or (iii) under any employment, contract, tort, federal, state, or local law, regulation, ordinance, constitutional provision, or executive order.

9. The Parties represent and warrant, respectively, that (A) the they have not filed or initiated any legal or other proceedings against any other Party and that the Employee has not filed or initiated any legal or other proceedings against any of the Released Parties; (B) no such proceedings have been initiated on behalf of a Party against any other Party (or any of the Released Parties); (C) the Party is the sole owner of the claims that are released in Paragraphs 6 or 7 above, as applicable; (D) none of these claims has been transferred or assigned or caused to be transferred or assigned to any other person, firm or other legal entity; and (E) the Party has the full right and power to grant, execute, and deliver the releases, undertakings, and agreements contained in this Agreement.

10. Except as provided in this Agreement, the Employee acknowledges and agrees that the Employee is not entitled to and will not receive any payments, benefits, or recovery of any kind from the Company or other Released Parties, including any bonus or severance payments. In the event of any further proceedings whatsoever based upon any matter released herein, the Company and each of the other Released Parties shall have no further monetary or other obligation of any kind to the Employee, including without limitation any obligation for any costs, expenses and attorneys' fees incurred by or on behalf of the Employee.

11. The Employee acknowledges and agrees that, following the Separation Date, the Employee will continue to be bound by and obligated to comply with the obligations contained in the Employee Proprietary Information and Inventions Agreement previously entered into between the Employee and the Company and the obligations pursuant to Sections 4 and 5 of the Employment Agreement, which survive the termination of the Employee's employment.

12. The Employee acknowledges and agrees that the Employee has no present or future right to employment with the Company or any of the other Released Parties.

13. The Employee confirms that he will not communicate regarding his termination of employment or other service verbally or otherwise with any current or former employee or other person in a manner that is inconsistent with the Company's public disclosures regarding his termination (provided that such disclosure is consistent with this Paragraph or required by applicable law) or as authorized by the Company. Without limiting the foregoing, the Employee agrees to refrain from all conduct, verbal or otherwise, that disparages or damages or could disparage or damage the reputation, goodwill, or standing in the community of the Company or any of the other Released Parties. The Company agrees to refrain from all conduct, verbal or otherwise, that disparages or damages or could disparage or damage the reputation or standing in the community of the Employee.

14. Except as stated in this Paragraph, the Parties agree that this Agreement and <u>Exhibit A, and the contents thereof</u>, are confidential, and that no Party may disclose any contents of this Agreement or <u>Exhibit A</u> to any person, including legal counsel for such person(s), corporation, association, or other entity, except that the Parties may disclose the Agreement and <u>Exhibit A</u> (or the terms and provisions thereof) to: (i) their attorneys; (ii) in the case of the Company and Parent, their employees; (iii) their accountants and tax consultants; (iv) other representatives or entities as required and compelled by law or lawful court order; (v) in the case of the Employee, his spouse, if applicable; and (vi) upon the advance written consent of either Party; provided, in each case, any such disclosure shall be conditioned upon the strict confidentiality and nondisclosure of this Agreement and its contents consistent with the terms hereof. Notwithstanding the foregoing, the Parties acknowledge and agree that Parent may disclose this Agreement and <u>Exhibit A</u> and the contents thereof as Parent determines to be necessary or appropriate to comply with its disclosure obligations under applicable law, and the confidentiality provisions of the Paragraph shall not apply to the Parties to the extent of such public disclosure. Additionally, the Parties agree that this Agreement may be used as evidence in a possible lawsuit in which either the Employee or the Company alleges the other party has breached this Agreement.

15. Nothing in this Agreement is intended to or shall be construed as an admission by the Company that the Company or any of the other Released Parties have violated any law, interfered with any right, breached any obligation or otherwise engaged in any improper or illegal conduct with respect to the Employee or otherwise. The Company and the other Released Parties expressly deny any such illegal or wrongful conduct.

16. THE EMPLOYEE ACKNOWLEDGES, UNDERSTANDS, AND AGREES THAT: A. THE EMPLOYEE HAS READ AND UNDERSTANDS THE TERMS AND EFFECT OF THIS AGREEMENT; B. THE EMPLOYEE RELEASES AND WAIVES CLAIMS UNDER THIS AGREEMENT KNOWINGLY AND VOLUNTARILY, IN EXCHANGE FOR CONSIDERATION IN ADDITION TO ANYTHING OF VALUE TO WHICH THE EMPLOYEE ALREADY IS ENTITLED; C. THE EMPLOYEE HEREBY IS AND HAS BEEN ADVISED TO HAVE THE EMPLOYEE'S ATTORNEY REVIEW THIS AGREEMENT BEFORE SIGNING IT; D. THE EMPLOYEE HAS TWENTY-ONE (21) DAYS IN WHICH TO CONSIDER WHETHER TO SIGN THIS AGREEMENT AND TO RETURN A SIGNED COPY TO THE COMPANY; AND E. WITHIN SEVEN (7) DAYS FROM THE DATE ON WHICH THE EMPLOYEE RETURNS A SIGNED COPY OF THIS AGREEMENT TO THE COMPANY ("THE REVOCATION PERIOD"), THE EMPLOYEE MAY, AT THE EMPLOYEE'S SOLE OPTION, REVOKE HIS/HER ACCEPTANCE OF THE AGREEMENT BY GIVING WRITTEN NOTICE OF SUCH REVOCATION TO KAREN JACKSON, SENIOR VICE PRESIDENT HUMAN RESOURCES. THE AGREEMENT WILL

NOT BECOME BINDING AND EFFECTIVE ON EITHER THE COMPANY OR THE EMPLOYEE UNTIL THIS SEVEN-DAY REVOCATION PERIOD HAS EXPIRED WITHOUT ANY SUCH REVOCATION.

17. In the event of any inconsistency between this Agreement and the Employment Agreement, this Agreement shall control. This Agreement may be modified only in writing, and any party's failure to enforce this Agreement in the event of one or more events that violate this Agreement shall not constitute a waiver of any right to enforce this Agreement against subsequent violations.

18. This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Illinois. Any dispute or conflict arising out of or relating to this Agreement, except for an action brought by the Company to enforce the obligations described in Paragraph 11 of this Agreement, must be brought in a court that has jurisdiction over matters in Cook County, Illinois. Furthermore, the Employee agrees such court shall have personal jurisdiction over him and further agrees to waive any rights he may have to challenge the court's personal jurisdiction over him/her.

19. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

20. Following the Separation Date and notwithstanding Employee's termination of employment or Paragraph 7 of this Agreement, Employee's rights to indemnification under the organizational documents of the Company and Parent and under the Officer Indemnification Agreement shall continue notwithstanding his termination of employment as to actions or inactions by Employee while an officer or director of the Company or Parent. In addition, following the Separation Date, the Company shall continue to cover Employee under its directors and officers liability insurance policy on the same basis as other current, future or former officers and directors generally for so long as liability may exist with respect to such actions or inactions. In the event that the Parent amends the officer indemnification agreements it maintains with all of its current officers generally in a manner that is more favorable than the Officer Indemnification Agreement, it will offer to amend the Officer Indemnification Agreement in the same manner.

21. Should any Party prevail in an action to enforce any provision arising out of this Agreement, and successfully establishes a breach of this Agreement or prevails in defense of any such action, such Party shall, in addition to any other relief to which it is entitled, be awarded its reasonable costs and attorneys' fees incurred in any such action.

22. For a period of six (6) months following the Separation Date, in order to continue facilitating the transition of his responsibilities, Employee will use reasonable efforts to make himself available by telephone or, if necessary, in person to respond to Company requests for information; provided, however, that such efforts shall not interfere with any other employment arrangement into which Employee enters during such period.

23. Section 19 of the Employment Agreement is hereby incorporated by reference herein. Employee recognizes that he is a "specified employee," as defined in Section

409A of the Internal Revenue Code of 1986, as amended (the "Code"). Accordingly, notwithstanding any other provision in this Agreement, to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Employee's separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Employee's separation from service, such payment shall be delayed until the earlier to occur of (a) the six (6) month anniversary of the separation from service or (b) the date of Employee's death.

[Signature Page Follows]

THE PARTIES STATE THAT THEY HAVE READ AND UNDERSTAND THE FOREGOING AND KNOWINGLY AND VOLUNTARILY INTEND TO BE BOUND THERETO:

/s/ Michael Small
Michael Small

GOGO LLC

By: /s/ Marguerite M. Elias
Name: Marguerite M. Elias
Title: Executive Vice President, General Counsel and Secretary

GOGO INC.

By: /s/ Ronald LeMay
Name: Ronald LeMay
Title: Chairman

Exhibit A
Equity Awards

Grant Date	Grant Type	Unvested Awards as of March 4, 2018	Unvested Equity Awards Eligible for Continued Vesting	Unvested Awards Forfeited as of the Separation Date[1]	Unvested Awards Eligible for Accelerated Vesting on One Year Anniversary of the Separation Date
5/28/2014	Options	65,000	65,000	—	
5/28/2014	Restricted Stock	10,000	10,000	—	
5/26/2015	Options	88,550	44,275	—	44,275
5/26/2015	Restricted Stock	11,250	5,625	—	5,625
6/24/2016	Options	132,825	44,275	—	88,550
6/24/2016	Restricted Stock	16,875	5,625	—	11,250
6/24/2016	Performance Options	55,300	27,650	27,650	—
6/24/2016	Performance RSUs	7,000	3,500	3,500	—
3/14/2017	Options	100,000	50,000	—	50,000
3/14/2017	Restricted Stock	10,000	5,000	—	5,000
3/14/2017	Performance Options	81,870	40,935	40,935	
3/14/2017	Performance RSUs	10,430	5,215	5,215	
2/17/2018	Performance Options	173,500	43,375	130,125	
2/17/2018	Performance RSUs	26,500	6,625	19,875	

1 “Separation Date,” as used in this Exhibit A, is to a defined term in Subparagraph (B) of Paragraph 3 of the Agreement.

EXHIBIT 10.2.14

EMPLOYMENT AGREEMENT

This Employment Agreement (this “Agreement”) is entered into effective April 7, 2010 (the “Effective Date”) by and between AIRCELL LLC, 1250 N. Arlington Heights Road, Suite 500, Itasca, IL 60143 (the “Company”), and Jonathan B. Cobin, 60 Lovett Avenue, Little Silver, NJ 07739. This Agreement supersedes and replaces all other agreements, whether oral or written, related to the terms of Executive’s employment with the Company, including, but not limited to, that certain offer letter presented by Aircell to Executive on March 31, 2010. Certain capitalized terms used herein have the meanings given to them in Section 20 hereof.

AGREEMENT:

In consideration of the mutual covenants contained herein, the parties agree as follows:

1. **Employment.** The Company hereby agrees to employ Executive. and Executive hereby accepts such employment upon the terms and conditions set forth herein and agrees to perform duties as assigned by the Company’s Board of Directors.

2. **Capacity and Duties**. As of the Effective Date, Executive shall be employed by the Company as its Senior Vice President, Project and Operations Management. During Executive’s employment with the Company, Executive shall perform the duties and bear the responsibilities commensurate with Executive’s position, and shall serve the Company faithfully and to the best of Executive’s ability, under the direction of the Company’s President and Chief Executive Officer. Executive’s actions shall at all times be such that they do not discredit the Company or its products and services. and Executive shall not engage in any business activity or activities that require significant personal services by Executive or that, in the sole judgment of the Company, may conflict with the proper performance of Executive’s duties hereunder. Executive shall devote all Executive’s working time, working attention, and working energies to the business of the Company.

3. **Compensation.**

(a) **Base Salary**. The Company shall pay to Executive as base compensation for all of the services to be rendered by Executive under this Agreement a salary at the rate of $245,000 per annum (the "**Base Salary**"), payable in accordance with such normal payroll practices as are adopted by the Company from time to time, subject to withholdings for federal, state and local taxes, FICA and other withholding required by applicable law, regulation or ruling. The Base Salary shall be reviewed at least annually. Unless the Company and Executive mutually agree otherwise, Executive's annual salary shall not be reduced by more than ten percent (10%) of Executive's then current Base Salary unless as part of an overall compensation reduction at the Company that impacts salaries of all executives of the Company. In addition, Executive shall be eligible for an annual bonus with a target of forty percent (40%) of Base Salary. The amount of such annual bonus. if any, shall be decided by the Chief Executive Officer. subject to the approval of the Company's Board of Directors, and shall be based upon achievement of both personal and corporate objectives. The annual bonus payable with respect to any fiscal year shall be paid no later than 2 1/2 months following the end of such fiscal year. Executive's bonus for 2010 shall be prorated based upon his start date.

(b) **Reimbursement of Expenses, Company Facilities.** The Company shall pay or reimburse Executive for all reasonable. ordinary and necessary travel and other expenses incurred by Executive in the performance of Executive's obligations under this Agreement, in accordance with the Company's travel and expense reimbursement policies for management employees. The Company shall provide to Executive, at the Company's principal place of business, the necessary office facilities and equipment to perform Executive's obligations under this Agreement.

(c) **Relocation Benefits.** Executive's principal office will be in Itasca, IL, and Executive may relocate his residence to the metropolitan Chicago area. The Company will provide relocation benefits as and to the extent set forth in Exhibit B hereto: provided, however, that such benefits shall expire on the first anniversary of the Effective Date. The Company makes no representation as to the proper tax treatment of reimbursed relocation benefits on executive's federal or state income tax returns, and Executive is responsible for obtaining independent advice from his personal tax advisor.

(d) **Vacation and Personal Time Off.** Executive shall be entitled to 24 days of paid time off (PTO) per calendar year. Executive's PTO accrual shall be prorated during Executive's first year of employment.

(e) **Benefits.** Executive shall be eligible to participate in all normal company benefits including the Company's 401(k), retirement, medical, dental and life and disability insurance plans and programs in accordance with the terms thereof.

(f) **Directors and Officers Insurance**. Officers and directors liability insurance shall be obtained and maintained by the Company for coverage of the Company, other executives of the Company and Executive, at no cost to Executive.

(g) Stock Option Plan. Subject to approval by the Board of Directors, Executive shall be entitled to receive options to purchase 550 shares of common stock in Aircell Holdings Inc. pursuant to the Company's standard terms and conditions as set forth in the option agreement and the Aircell Holdings Inc. Stock Option Plan. One fifth of such options will vest on the date of grant with the balance, subject to Executive's continued employment hereunder, vesting in four equal annual installments on each of the first four anniversaries of the grant date.

4. **Confidentiality; Ownership of Confidential Information and Inventions.**

(a) **Receipt of Confidential Information.** Executive's employment by the Company creates a relationship of confidence and trust between Executive and the Company with respect to certain information applicable to the business of the Company and its clients or customers. Executive acknowledges that during Executive's employment by the Company and as a result of the confidential relationship with the Company established thereby. Executive shall be receiving Confidential Information and that the Confidential Information is a highly valuable asset of the Company.

(b) **Nondisclosure.** During Executive's employment with the Company and at all times thereafter, regardless of the reason for the termination of such employment, Executive shall retain in strict confidence and shall not use for any purpose whatsoever or divulge. disseminate, or disclose to any third party (other than in the furtherance of the business purposes of the Company and with the Company's prior written consent) all Confidential Information, all of which is deemed confidential and proprietary.

(c) **Disclosure.** Executive shall inform the Company promptly and fully of all Inventions by a written report, setting forth in detail a description of the Invention. the procedures used and the results achieved. Executive shall submit a report upon completing any studies or research projects undertaken on the Company's behalf, whether or not Executive believes that project has resulted in an Invention. Executive agrees to keep and maintain adequate and current records (in the form of notes, sketches, drawings and in any other form that may be required by the Company) of all Inventions, which records shall be available to and remain the sole property of the Company at all times.

(d) **Ownership; Cooperation.** All Confidential Information and Inventions shall be and remain the sole property of the Company. Executive promptly shall execute and deliver to the Company any instruments deemed necessary by it to effect disclosure and assignment of all Inventions to the Company including. without limitation, assignment agreements satisfactory to the Company. Upon request of the Company. during and after Executive's employment with the Company, Executive shall execute patent, copyright, trademark, mask work or other applications and any other instruments deemed necessary by the Company for the prosecution of such patent applications or the acquisition of letters patent or registration of copyrights, trademarks or mask works in the United States and foreign countries based on such Inventions; provided, however. that if Executive incurs any expenses in connection with the föregoing obligation after Executive's employment with the Company is terminated. the Company shall compensate Executive at a reasonable rate for the time actually spent by Executive at the Company's request in satisfying such obligation.

(e) **Works for Hire.** To the extent the Inventions consist of original works of authorship which are made by Executive (solely or jointly with others) within the scope of Executive's employment and which are protectable by copyright, Executive acknowledges that all such original works of authorship are "works for hire" as that term is defined in the United States Copyright Act (17 U.S.C., Section 101).

5. **Covenants-Not-to-Compete.** In consideration of Executive's continued employment as an executive of the Company and in consideration of the Company's obligations contained in this Agreement, including, without limitation, its agreeing to

grant the options described in Section 3(g) and pay severance benefits in the circumstances specified in Section 9(a), and because Executive shall have access to Confidential Information, including, without limitation. Trade Secrets. Executive hereby covenants as follows:

(a) Covenants. Without the prior written consent of the Board, (x) during Executive's employment with the Company and (y) for one (l) year after leaving the employment of the Company, whether voluntarily or involuntarily, Executive shall not directly or indirectly, personally, by agency, as an employee. officer or director, through a corporation. partnership, limited liability company, or by any other artifice or device:

(i) Own, manage, operate, control, work for, provide services to, employ, have any financial interest in, consult to, lend Executive's name to or engage in any capacity in any enterprise, business, company or other entity (whether existing or newly established) engaged in a Competitive Business, whether in anticipation of monetary compensation or otherwise;

(ii) Hire, solicit or otherwise induce any current or former employee of the Company or any of its Affiliates to terminate his or her employment with the Company or such Affiliate or to engage in any Competitive Business, or intentionally interfere with the relationship of the Company or any of its Affiliates with any such employee or former employee;

(iii) Solicit or service in any way in connection with or relating to a Competitive Business, on behalf of Executive or on behalf of or in conjunction with others. any supplier, client or customer, or prospective supplier, client. or customer. who has been solicited or serviced by the Company or any of its Affiliates: or

(iv) Assist others in doing anything prohibited by clause (i), (ii) or (iii) above; in each case anywhere in the United States. The covenants in this Section 5(a) shall be specifically enforceable. However, the covenants in this Section 5(a) shall not be construed to prohibit the ownership of not more than one percent of the equity of any publicly-held entity engaged in direct competition with the Company. so long as Executive is not otherwise engaged with such entity in any of the other activities specified in Section 5(a)(i) through (iv) above.

(b) Severability of Covenants. For purposes of this Section 5, Executive and the Company intend that the covenants contained in Section 5 shall be construed as separate covenants. one for each activity and each geographic area. If one or more of these covenants are adjudicated to be unenforceable. such unenforceable covenant shall be deemed eliminated from this Section 5 to the extent necessary to permit the remaining separate covenants to be enforced.

(c) Acknowledgment. Executive acknowledges that the covenants made by Executive in this Agreement are intended to protect the legitimate business interests of the Company and not to prevent or interfere with Executives ability to earn a living.

6. **Injunctive Relief; Legal Fees.** If Executive violates any of the provisions of Section 4 or 5 hereof (the “Applicable Sections”). the Company shall be entitled to seek and. if awarded by a court or arbitrator. obtain immediate and permanent injunctive relief in addition to all other rights and remedies it may have. it being agreed that a violation of the Applicable Sections would cause the Company irreparable harm, and the damages which the Company would sustain upon such violation are difficult or impossible to ascertain in advance. If the Company takes legal action to enforce the covenants contained in the Applicable Sections, or to enjoin Executive from violating the Applicable Sections, as part of its damages, the prevailing party shall be entitled to recover its reasonable legal costs and expenses for bringing and maintaining any such action from the losing party.

7. **No Conflict.** Executive represents and warrants to the Company that (a) Executive has not signed any employment agreement, confidentiality agreement, noncompetition covenant or the like with any other employer and (b) Executive’s employment with the Company will not violate any other agreement or arrangement Executive has or may have had with any other former employer. Executive covenants that under no circumstances shall Executive disclose to the Company or use for the benefit of the Company any confidential or proprietary information of any former employer or other third party, and Executive shall hold all such information in confidence, and shall comply with the terms of any and all applicable agreements between Executive and the third party with respect to such information.

8. **Termination.** Executive and the Company each acknowledge that either party has the right to terminate Executive's employment with the Company at any time for any reason whatsoever. with or without cause, pursuant to the following:

(a) **Termination by the Company Without Cause.** Upon thirty (30) days' written notice to Executive, or at the Company's discretion, pay in lieu of notice;

(b) **Disability.** Upon thirty (30) days' written notice to Executive, or at the Company's discretion, pay in lieu of notice, if Executive is prevented from performing Executive's duties by reason of illness or incapacity for a continuous period of 120 days:

(c) **Death. Immediately upon the death of Executive;** or

(d) **Termination by the Company for Cause.** Immediately upon a showing of "Cause", which for purposes of this Agreement shall mean Executive's (l) willful gross misconduct or gross or persistent negligence in the discharge of his duties: (2) act of dishonesty or concealment; (3) breach of his fiduciary duty or duty of loyalty to the Company; (4) a material breach of Section 4 or 5 hereof; (5) any other material breach by Executive of this Agreement, which breach has not been cured by Executive within thirty (30) days after written notice of such breach is given to Executive by the Company: (6) commission of repeated acts of substance abuse which are materially injurious to the Company; (7) commission of a criminal offense involving money or other property of the Company (excluding traffic or other similar violations); or (8) commission of a criminal offense that would, if committed in the State of Illinois, constitute a felony under the laws of the State of Illinois or the United States of America.

(e) **Voluntary Resignation.** Executive may terminate Executive's employment under this Agreement upon thirty (30) days' written notice to the Company. The Company, at its discretion. may waive the thirty (30) day notice requirement. and in such event shall be required to make any payments in lieu of notice.

9. **Termination Benefits.**

(a) **Termination by the Company Without Cause.** If Executive is terminated under Section 8(a), and upon execution. not later than 45 days following the termination date. of a separation agreement containing a general release of all claims against the Company, the Company shall pay Executive an amount equal to Executive's Base Salary under Section 3(a) at the time of such termination for a period of twelve (12) months (each such payment a "Severance Payment"). The Severance Payment shall be payable in installments, by direct deposit, in accordance with the Company's normal payroll practices. In addition, during the twelve months following termination. should Executive timely elect to continue coverage pursuant to COBRA, the Company agrees to reimburse Executive for the COBRA premiums due to maintain health insurance coverage that is substantially equivalent to that which he received immediately prior to Executive's termination. The Company shall also pay Executive (i) any salary earned but unpaid prior to termination and all accrued but unused PTO, (ii) any business or reimbursable relocation expenses incurred but not reimbursed as of the date of termination. and (iii) any award under the annual bonus program referred to in Section 3(a) that has been approved by the Chief Executive Officer and the Company's Board of Directors but not paid prior to termination.

(b) **Other Termination.** In all other cases, the Company's obligation to make payments hereunder shall cease upon such termination, except the Company shall pay Executive (i) any salary earned but unpaid prior to termination and all accrued but unused PTO, and (ii) any business or reimbursable relocation expenses incurred but not reimbursed as of the date of termination.

(c) **Survival of Obligations.** Executive's obligations pursuant to Sections 4 and 5 shall survive the expiration of the term of Executive's employment under this Agreement or any early termination thereof.

(d) **Returns.** Upon termination of Executive's employment under this Agreement, or as otherwise requested by the Company, immediately upon the Company's request. Executive shall return to the Company all Company files. notes, business plans and forecasts. financial information, computer-recorded information, tangible property including computers, software, credit cards. entry cards. identification badges. cell phones, pager, keys, tools. equipment and any materials of any kind which contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).

10. **Notices.** All notices, reports, records or other communications which are required or permitted to be given to the parties under this Agreement shall be sufficient in all respects if given in writing and delivered in person, by telecopy. by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested, to the receiving party at the address listed on the first page of this Agreement, or to such other address as such party may have given to the other by notice pursuant to this Section 10. In the case of any such communications to the

Company, such communications shall also be delivered to the Board of Directors. Notice shall be deemed given on the date of delivery, in the case of personal delivery or telecopy, or on the delivery or refusal date, as specified on the return receipt. in the case of overnight courier or registered or certified mail.

11. **Further Assurances.** The parties shall cooperate fully with each other and execute such further instruments, documents and agreements, and shall give such further written assurances, as may be reasonably requested by one another to better evidence and reflect the transactions described herein and contemplated hereby and to carry into effect the intent and purposes of this Agreement. Without limiting the generality of the foregoing, Executive shall cooperate fully in assisting the Company to comply with contractual obligations of the Company to third parties regarding Inventions, Trade Secrets and copyrights.

12. **Waiver of Breach.** A waiver by the Company of a breach of any provision of this Agreement by Executive shall not operate or be construed as a waiver of any subsequent breach by Executive.

13. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any action pursuant to Section 4 or 5 above may be brought in the Courts in the State of Illinois. and by execution of this Agreement, Executive irrevocably submits to such jurisdiction.

14. **Arbitration.**

(a) Any dispute arising in connection with this Agreement or Executive’s employment with the Company, except for equitable or injunctive actions pursuant to Section 4 or 5 above, or claims by Executive for workers’ compensation, unemployment compensation or benefits under a Company benefits plan. shall be submitted to final and binding arbitration. Judgment upon any award rendered by arbitration may be entered in any court having jurisdiction thereof.

(b) The arbitrator shall be selected by the mutual agreement of the parties. Any arbitrator selected shall be a professional having at least ten years of experience in labor or employment related practice areas. If the amount in dispute exceeds $250,000, the parties shall select, by mutual agreement, a panel of three arbitrators, rather than one arbitrator. to resolve the dispute.

(c) The arbitration shall be conducted in Chicago, Illinois (unless the corporate headquarters of the Company shall have been moved to another location, in which case the arbitration shall be conducted in such location). Reasonable discovery shall be permitted as determined by the arbitrator or arbitrators. Both parties to an arbitration shall have the right to be represented by counsel. The attorneys' fees and costs of the arbitrator and arbitration proceedings are to be shared equally between the parties, and all other costs and attorneys' fees are to be paid by the party incurring such costs and fees.

(d) Except as otherwise provided herein, this arbitration procedure is the exclusive remedy for any contractual, non-contractual or statutory claim of any kind, including claims arising under federal, state and local statutory law, including, but not limited to. the Age Discrimination in Employment Act of 1967, 29 U.S.C. 621 et seq.: Title V Il of the Civil Rights Act of 1964. 42 U.S.C. 2000e et seq.; the Americans with Disabilities Act. 42 U.S.C. 12101 et seq.; the Employee Retirement Income Security Act, 29 U.S.C. 1001 et seq.; the Illinois Human Rights Act, 75 ILCS 5/1-101 el seq.; and common law or equitable claims alleging breach of contract, defamation, fraud, outrageous conduct, promissory estoppel, violation of public policy, wrongful discharge or any other tort, contract or equitable theory. Executive agrees to exhaust any and all internal dispute resolution procedures established by the Company prior to pursuing arbitration under this Agreement.

15. **Severability.** If any provision of this Agreement s} all be held by any Court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect, but the enforceability of all other provisions of this Agreement shall be unimpaired.

16. **Binding Agreement.** Executive shall not delegate or assign any of Executive's rights or obligations under this Agreement. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by Executive. the Company and the Company's successors and assigns; provided. however, that the Company may not assign this Agreement to any other person or entity without the prior written consent of Executive except (a) to Aircell Holdings Inc. or (b) in connection with a sale, assignment or other transfer by the Company of all or a substantial portion of its assets or business, in each of which events assignment of this Agreement is expressly permitted without the consent of Executive.

17. **Merger; Amendment.** This Agreement sets forth the entire understanding of the parties with respect to the subject matter hereof and no other statement, representation, warranty or covenant has been made by either party except as expressly set forth herein. This Agreement may be amended at any time. provided that such amendment is in writing and is signed by each of the parties.

18. **Nature of Employment.** EXECUTIVE IS EMPLOYED WITH THE COMPANY FOR NO SPECIFIC TERM OF EMPLOYMENT, AND IS EMPLOYED AT THE WILL OF THE COMPANY. NOTHING IN THIS AGREEMENT SHALL IN ANY WAY RESTRICT EXECUTIVE’S RIGHT OR THE RIGHT OF THE COMPANY TO TERMINATE EXECUTIVE’S EMPLOYMENT AT ANY TIME. FOR ANY REASON OR FOR NO REASON. WITH OR WITHOUT CAUSE AND WITH OR WITHOUI’ NOTICE.

19. **Section 409A.** This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the “Code”), and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible. under either the separation pay exemption pursuant to Treasury regulation §1.409A-l (b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4). In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code (“409A Penalties”). the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties. to the extent possible. To the extent any amounts under this Agreement are payable by reference to Executive’s “termination of employment,” such term shall be deemed to refer to Executive’s “separation from service.” within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a “specified employee,” as defined in Section 409A of the Code, as of the date of Executive’s separation from service. then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive’s separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Executive’s separation from service. such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive’s death. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive promptly following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

20. **Definitions.** In addition to terms defined above and elsewhere in this Agreement. the following terms shall have the meanings set forth below:

“**Affiliate**” means (i) any parent or subsidiary of the Company and (ii) any person or entity that directly or indirectly, through one or more intermediaries. controls, is controlled by or is under common control with, the Company. For purposes of this definition. the terms “controls. is controlled by” or “is under common control with” shall mean the possession. direct or indirect, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

“**Air-to-Ground Communication**” means (i) data and/or voice communications directly or indirectly between an aircraft and the ground, including communications between an aircraft and the ground transmitted in whole or in part by satellite, (ii) data and/or voice communications within an aircraft. including all communications to or from the cabin and/or the cockpit of an aircraft, (iii) any and all related products and services and (iv) any and all products and services directly supportive thereof. For the avoidance of doubt, Air-to-Ground Communications does not include communications by satellite that does not involve communication to or from an aircraft.

“**Competitive Business**” means any business engaged in (i) providing Air-to-Ground Communications, (ii) assembling, manufacturing, installing or selling equipment involved in or relating to Air-to-Ground Communications or (iii) any other business or activities that are substantially in competition with any other businesses in which the Company or any of its Affiliates engages in during Executive’s employment or is actively contemplating entering into during Executive’s employment. For purposes of this Agreement, in the event that a Competitive Business includes an organization with separate and distinct business units, to the extent possible, and upon the written approval of the Company, the term Competitive Business may be limited to only those business units(s) or persons of the Competitive Business that are engaged in, related to or become engaged in. or related to the business of Air-to-Ground Communications.

“Confidential Information” means all information relating to the Company. its Affiliates and their respective customers and suppliers considered by the Company or its Affiliates to be confidential and proprietary including. without limitation, (a) business plans, research, development and marketing strategies. customer names and lists, product and service prices and lines. processes, designs. formulae, methods, financial information. costs and supplies and (b) the Trade Secrets (as defined below). Confidential Information may include information which has been acquired or created by Executive or has otherwise become known to Executive through Executive’s employment with Company. Confidential Information may also include information belonging to the Company’s clients. customers or suppliers. “Confidential Information” shall not include the foregoing that is or becomes (i) in the public domain other than through acts by Executive. (ii) already lawfully in Executive’s possession at the time of disclosure by the Company as evidenced by Executive’s written records. (iii) disclosed to Executive by a third party who is not prohibited from disclosing the information pursuant to any fiduciary, contractual or other duty to any person or (iv) required by law. rule. regulation or court order to be disclosed.

“**Existing Proprietary Rights**” means all inventions, original works of authorship, developments. improvements and trade secrets that Executive has, alone or jointly with others. made. conceived. developed or reduced to practice or caused to be made. conceived. developed or reduced to practice prior to the Effective Date. whether or not patentable or registrable under patent, copyright or similar statutes, a list of which is attached to this Agreement as Exhibit A.

“Inventions” means discoveries, concepts, ideas, methods. formulae. techniques, developments, know-how, inventions and improvements, whether or not patentable or registrable under patent, copyright or similar statutes, conceived of or made by Executive at any time, whether before. during or after business hours, or with the use of the Company’s facilities. materials or personnel, either solely or jointly with others after the Effective Date and during Executive’s employment by the Company and if based on or related to the Company’s business. including. without limitation. existing and planned products and services and future products and services of the Company and its Affiliates.

“**Trade Secrets**” means any and all technology and information relating to the Company’s and its Affiliates’ business or their respective patents, methods, formulae. software. know-how, designs, products, processes, services, research development, inventions. systems, engineering and manufacturing which have been designated as secret or confidential or are the subject of efforts that are reasonable under the circumstances to maintain their secrecy or confidentiality and which are sufficiently secret to derive economic value. actual or potential, from not being generally known to other persons.

The parties have executed this Agreement on the date first above written, effective as of the Effective Date.

COMPANY:	EXECUTIVE:
Date: 4/7/10	Date: 4/7/10
/s/ Michael J. Small	/s/ Jonathan B. Cobin
Title: President & CEO	

Exhibit A

Existing Proprietary Rights

None

Exhibit B
Relocation Benefits

Aircell Executive Relocation Program Summary

Overview: This program is intended to assist you and your family by providing benefits and support while relocating with the company. These benefits cover various relocation related costs. However, depending on your personal circumstances they may not necessarily cover all expenses.

Summary of Benefits:

- **Reimbursable Home Selling Expenses:** Aircell will reimburse the real estate broker sales commission of up to 7% of the sale price of your property.
- **Interim Living, Home Finding and Final Move Expenses:** Aircell will provide $10,000 to cover interim living, home finding and other miscellaneous expenses related to the move. The interim living period will begin on your start date.
- **Normal Closing Costs:** Aircell will reimburse normal and customary closing costs up to $5,000 normally paid by the buyer.
- **Graebel Relocation Services:** Graebel will provide assistance to you during your relocation including the selection of real estate brokers familiar with corporate relocations. Aircell will arrange through Graebel to survey, pack and load, transport and unload your household goods. Aircell will pay all usual and reasonable costs of packing, transporting, unloading and unpacking the furniture and household effects directly to the van line itself. Costs to re-install appliances at the new location, insure goods during the move and store goods for a period of 30 days will also be covered. Fees will be billed directly to, and paid by Aircell.
- **Time Allowed for Final Move**: As part of the final move, and subject to management approval, up to five working days (paid) will be provided to complete the move (closing, pack, travel, unpack, etc).

Tax Implications: It is Aircell's intention to reasonably protect you by reimbursing for most income tax liabilities incurred during the relocation. IRS regulations require the company to report most of the relocation expenses paid to you, or on your behalf as income on the W-2 form. You may also be entitled to claim a deduction on personal income tax returns for some of the relocation related expenses.

Gross Up Provision: For tax purposes, Aircell will "gross up" expenses covered by the company that are not excludable from taxable income, or have no offsetting tax deduction. Through this provision, the company will provide cash to offset the estimated increase in tax liability associated with these expenses.

AMENDMENT NUMBER ONE TO
EMPLOYMENT AGREEMENT

This Amendment Number One to Employment Agreement (the “Amendment”) between Gogo LLC (f/k/a Aircell LLC) (the “Company) and **Jonathan B. Cobin** (the “Executive”) is dated as of November 30, 2017.

WHEREAS, the Company and Executive have heretofore entered into an Employment Agreement dated as of April 7, 2010 (the “Agreement”); and

WHEREAS, the Company and the Executive desire to amend the Agreement to add a provision on resignation for Good Reason (as defined hereinafter), among other things.

NOW, THEREFORE, pursuant to Section 17 of the Agreement, the Agreement is hereby amended as follows, effective as of November 30, 2017:

1. Section 3(a) of the Agreement is hereby amended by deleting the penultimate sentence (“The annual bonus payable with respect to any fiscal year shall be paid no later than 2 ½ months following the end of such fiscal year”) in its entirety.
2. Section 3 (d) of the Agreement is hereby deleted in its entirety and replaced with the following: “**(d) Discretionary Time Off.** The Company has no formal vacation or time off policy with set time off amounts and accruals. Instead, Executive will have the flexibility to take time off as determined by Executive, subject to the approval of the CEO.”
3. Section 4 (b) of the Agreement is hereby amended by adding the following sentence at the end of the provision: “ Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement limits the Executive’s ability to communicate with or participate in any investigation or proceeding regarding possible violations of U.S. Federal securities laws that may be conducted by the U.S. Securities and Exchange Commission, the U.S. Department of Justice, the U.S. Consumer Financial Protection Bureau or the U.S. Commodity Futures Trading Commission.”
4. Section 8 (d) (6) of the Agreement is hereby deleted in its entirety and is replaced with the following: “(6) commission of one or more acts of substance abuse which are materially injurious to the Company;”.
5. Section 8 of the Agreement is hereby amended by adding the following new subparagraph (f): “**Resignation for Good Reason.** Executive may terminate his or her employment under this Agreement immediately upon a showing of “Good Reason,” which for purposes of this Agreement shall mean (1) a reduction by the Company in Executive’s Base Salary beyond what is permitted by Section 3 (a)b; (2) a material dimunition of Executive’s duties or responsibilities such that such duties and responsibilities, when viewed in the aggregate, are not at least commensurate with those duties and responsibilities normally associated with and appropriate to his/her position; (3) the relocation of Executive’s principal place of employment to a geographic location more than fifty (50) miles from the Company’s headquarters as of the Effective Date; or (4) any material breach by the Company of its

obligations to Executive hereunder. In the event that Executive believes that circumstances constituting "Good Reason" have occurred and Executive wishes to terminate his/her employment as a result of such occurrence, Executive must provide the Company written notice within 3 days from the initial existence of the occurrence. If within 30 days following the Company's receipt of such notice it corrects the circumstances constituting "Good Reason," then Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of such circumstances. Furthermore, Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of any circumstances constituting "Good Reason" unless his/her resignation occurs within 30 days following the expiration of the Company's cure period."

6. Section 9 subparagraph (a) of the Agreement is hereby amended by deleting the sub-heading "(a)" and the first two full sentences in their entirety and substituting the following: "(**a) Termination by the Company Without Cause or Resignation for Good Reason**. If Executive is terminated under Section 8(a) or resigns for Good Reason under Section 8 (f), and following the execution (and expiration of any revocation period), not later than 45 days following the termination date, of a separation agreement containing a general release of all claims against Parent, the Company, and its Affiliates, the Company shall pay Executive an amount equal to Executive's Base Salary under Section 3 (a) at the time of such termination for a period of twelve (12) months, payable installments as set forth hereinafter (each such payment a "Severance Payment"). The Severance Payment shall be payable in installments, by direct deposit, in accordance with the Company's normal payroll practices. The first installment of the Severance Payments shall be made on the first payroll date after the execution (and expiration of any revocation period) of such separation agreement or, if the 45-day period following the termination date spans two calendar years and the Severance Payment is subject to Section 409A of the Internal Revenue Code, after such 45-day period, and shall include all installments of the Severance Payments that would have been paid if the general release of claims had been fully effective on the termination date."

7. Except as amended by this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer and the Executive has executed this instrument as of this 4th day of April, 2018.

Gogo LLC:

By: /s/ Marguerite M. Elias
Marguerite M. Elias

Executive:

/s/ Jon Cobin

AMENDMENT NUMBER THREE TO
EMPLOYMENT AGREEMENT

This Amendment Number Three to Employment Agreement (the “Amendment”) between Gogo LLC (f/k/a Aircell LLC) (the “Company) and **Anand K. Chari** (the “Executive”) is dated as of November 30, 2017.

WHEREAS, the Company and Executive have heretofore entered into an Employment Agreement dated as of July 12, 2006, as amended by Amendment Number One thereto dated as of January 1, 2009, and further amended by Amendment Number Two thereto dated as of December 22, 2008 (the “Agreement”); and

WHEREAS, the Company and the Executive desire to amend the Agreement to add a provision on resignation for Good Reason (as defined hereinafter), among other things.

NOW, THEREFORE, pursuant to Section 17 of the Agreement, the Agreement is hereby amended as follows, effective as of November 30, 2017:

1. Section 3(a) of the Agreement is hereby amended by deleting the second sentence and inserting the following sentence in its place: In addition Executive shall be eligible for an annual discretionary bonus with a target of 60% percent (60%) of Base Salary under the annual bonus program that shall be administered by the Board of Directors.

2. Section 3 (c) of the Agreement is hereby deleted in its entirety and replaced with the following: “**(d) Discretionary Time Off.** The Company has no formal vacation or time off policy with set time off amounts and accruals. Instead, Executive will have the flexibility to take time off as determined by Executive, subject to the approval of the CEO.”

3. Section 4 (b) of the Agreement is hereby amended by adding the following sentence at the end of the provision: “ Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement limits the Executive’s ability to communicate with or participate in any investigation or proceeding regarding possible violations of U.S. Federal securities laws that may be conducted by the U.S. Securities and Exchange Commission, the U.S. Department of Justice, the U.S. Consumer Financial Protection Bureau or the U.S. Commodity Futures Trading Commission.”

4. Section 8 (d) (6) of the Agreement is hereby deleted in its entirety and is replaced with the following: “(6) commission of one or more acts of substance abuse which are materially injurious to the Company;”.

5. Section 8 of the Agreement is hereby amended by adding the following new subparagraph (f): “**Resignation for Good Reason.** Executive may terminate his or her employment under this Agreement immediately upon a showing of “Good Reason,” which for purposes of this Agreement shall mean (1) a reduction by the Company in Executive’s Base Salary beyond what is permitted by Section 3 (b); (2) a material dimunition of Executive’s duties or responsibilities such that such duties and responsibilities, when viewed in the aggregate, are not at least

commensurate with those duties and responsibilities normally associated with and appropriate to his/her position; (3) the relocation of Executive's principal place of employment to a geographic location more than fifty (50) miles from the Company's headquarters as of the Effective Date; or (4) any material breach by the Company of its obligations to Executive hereunder. In the event that Executive believes that circumstances constituting "Good Reason" have occurred and Executive wishes to terminate his/her employment as a result of such occurrence, Executive must provide the Company written notice within 3 days from the initial existence of the occurrence. If within 30 days following the Company's receipt of such notice it corrects the circumstances constituting "Good Reason," then Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of such circumstances. Furthermore, Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of any circumstances constituting "Good Reason" unless his/her resignation occurs within 30 days following the expiration of the Company's cure period."

6. Section 9 subparagraph (a) of the Agreement is hereby amended by deleting the sub-heading "(a)" and the first two full sentences in their entirety and substituting the following: "(**a) Termination by the Company Without Cause or Resignation for Good Reason**. If Executive is terminated under Section 8(a) or resigns for Good Reason under Section 8 (f), and following the execution (and expiration of any revocation period), not later than 45 days following the termination date, of a separation agreement containing a general release of all claims against Parent, the Company, and its Affiliates, the Company shall pay Executive an amount equal to Executive's Base Salary under Section 3 (a) at the time of such termination for a period of twelve (12) months, payable installments as set forth hereinafter (each such payment a "Severance Payment"). The Severance Payment shall be payable in installments, by direct deposit, in accordance with the Company's normal payroll practices. The first installment of the Severance Payments shall be made on the first payroll date after the execution (and expiration of any revocation period) of such separation agreement or, if the 45-day period following the termination date spans two calendar years and the Severance Payment is subject to Section 409A of the Internal Revenue Code, after such 45-day period, and shall include all installments of the Severance Payments that would have been paid if the general release of claims had been fully effective on the termination date."

7. Except as amended by this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer and the Executive has executed this instrument as of this 4th day of April, 2018.

Gogo LLC:

By: /s/ Marguerite M. Elias
Marguerite M. Elias

Executive:

/s/ Anand Chari
Anand Chari
EVP/CTO

Exhibit 10.2.17

AMENDMENT NUMBER THREE TO
EMPLOYMENT AGREEMENT

This Amendment Number Three to Employment Agreement (the “Amendment”) between Gogo LLC (f/k/a Aircell LLC) (the “Company) and **John Wade** (the “Executive”) is dated as of November 30, 2017.

WHEREAS, the Company and Executive have heretofore entered into an Employment Agreement dated as of October 21, 2008 as amended by Amendment Number One thereto dated as of January 1, 2009, and Amendment Number Two thereto dated as of December 23, 2008(the “Agreement”); and

WHEREAS, the Company and the Executive desire to amend the Agreement to add a provision on resignation for Good Reason (as defined hereinafter), among other things.

NOW, THEREFORE, pursuant to Section 17 of the Agreement, the Agreement is hereby amended as follows, effective as of November 30, 2017:

1. Section 3(a) of the Agreement is hereby amended by deleting the second sentence in its entirety and inserting the following sentence in its place: “In addition Executive shall be eligible for an annual discretionary bonus.”

2. Section 3 (d) of the Agreement is hereby deleted in its entirety and replaced with the following: “**(d) Discretionary Time Off.** The Company has no formal vacation or time off policy with set time off amounts and accruals. Instead, Executive will have the flexibility to take time off as determined by Executive, subject to the approval of the CEO.”

3. Section 4 (b) of the Agreement is hereby amended by adding the following sentence at the end of the provision: “ Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement limits the Executive’s ability to communicate with or participate in any investigation or proceeding regarding possible violations of U.S. Federal securities laws that may be conducted by the U.S. Securities and Exchange Commission, the U.S. Department of Justice, the U.S. Consumer Financial Protection Bureau or the U.S. Commodity Futures Trading Commission.”

4. Section 8 (d) (6) of the Agreement is hereby deleted in its entirety and is replaced with the following: “(6) commission of one or more acts of substance abuse which are materially injurious to the Company;”.

5. Section 8 of the Agreement is hereby amended by adding the following new subparagraph (f): “**Resignation for Good Reason.** Executive may terminate his or her employment under this Agreement immediately upon a showing of “Good Reason,” which for purposes of this Agreement shall mean (1) a reduction by the Company in Executive’s Base Salary beyond what is permitted by Section 3 (a); (2) a material dimunition of Executive’s duties or responsibilities such that such duties and responsibilities, when viewed in the aggregate, are not at least commensurate with those duties and responsibilities normally associated with and appropriate to his/her position; (3) the relocation of Executive’s principal place of employment to a geographic location more than fifty (50) miles from the Company’s

headquarters as of the Effective Date; or (4) any material breach by the Company of its obligations to Executive hereunder. In the event that Executive believes that circumstances constituting "Good Reason" have occurred and Executive wishes to terminate his/her employment as a result of such occurrence, Executive must provide the Company written notice within 3 days from the initial existence of the occurrence. If within 30 days following the Company's receipt of such notice it corrects the circumstances constituting "Good Reason," then Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of such circumstances. Furthermore, Executive shall not be entitled to terminate his/her employment under this Section 8(f) as a result of any circumstances constituting "Good Reason" unless his/her resignation occurs within 30 days following the expiration of the Company's cure period."

6. Section 9 subparagraph (a) of the Agreement is hereby amended by (i) adding the words "or Resignation for Good Reason" to the end of the heading of subparagraph (a), so that it reads "(a) Termination by the Company Without Cause or Resignation for Good Reason."; and (ii) deleting the first two sentences in their entirety and inserting the following in its place: "If Executive is terminated under Section 8(a) or resigns for Good Reason under Section 8(f), and following the execution (and expiration of any revocation period), not later than 45 days following the termination date, of a separation agreement containing a general release of all claims against Parent, the Company and its Affiliates, the Company shall pay Executive an amount equal to Executive's Base Salary under Section 3(a) at the time of such termination for a period of one (1) year (each such payment a "Severance Payment"). The Severance Payment shall be payable in installments, by direct deposit, in accordance with the Company's normal payroll practices. The first installment of the Severance Payments shall be made on the first payroll date after the execution (and expiration of any revocation period) of such separation agreement or, if the 45-day period following the termination date spans two calendar years and the Severance Payment is subject to Section 409A of the Internal Revenue Code, after such 45-day period, and shall include all installments of the Severance Payments that would have been paid if the general release of claims had been fully effective on the termination date."

7. Except as amended by this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer and the Executive has executed this instrument as of this 4th day of April, 2018.

Gogo LLC:

By: /s/ Marguerite M. Elias
Marguerite M. Elias

Executive:

/s/ John Wade

AMENDMENT NUMBER ONE TO
CHANGE IN CONTROL SEVERANCE AGREEMENT

This Amendment Number One to Change in Control Severance Agreement (the "Amendment") between Gogo LLC (the "Company") and (the "Executive") is dated as of November 30, 2017.

WHEREAS, Company and the Executive have heretofore entered into a Change in Control Severance Agreement dated as of (the "Agreement"); and

WHEREAS, the Company and the Executive desire to amend the Agreement to include terms on the vesting of performance based Awards in the event of a Qualifying Termination.

NOW, THEREFORE, the Agreement is hereby amended as follows, effective as of November 30, 2017:

1. Section 2(b) of the Agreement is hereby deleted in its entirety and replaced with the following:

   "**(b)Award Acceleration**. If Executive's employment is terminated as a result of a Qualifying Termination, then (i) the vesting of each Award that vests based on continued service, and the exercisability of each such Award that is a stock option, shall be automatically accelerated in full as of the Date of Termination and (ii) each Award that vests based on performance shall remain outstanding through the normal performance vesting date thereof (or, in the case of each such Award that is a stock option, until the 90th day following such normal performance vesting date) and shall vest and/or be forfeited based on the satisfaction of the applicable performance goals to the same extent as if the undersigned's services to the Company had not ended (provided that, to the extent any such Award is subject to both performance and service-based vesting, the service-based vesting shall be automatically accelerated in full as of the Date of Termination). The Award shall continue to be exercisable in accordance with the Executive's Award Agreement, and, with respect to Awards other than stock options and restricted stock awards, will be settled upon vesting to the extent such accelerated settlement is permitted by Section 409A of the Code or, if not so permitted, on the scheduled settlement date in accordance with the Executive's Award Agreement, including in each case without any limitation any provisions that provide that in connection with a Change in Control, an Award may be surrendered and cancelled in exchange for a cash payment."

2. The Section 16 definition of "Award is deleted in its entirety and replaced with the following:

   "Award " means any options or other equity incentives awarded to the Executive under the Aircell Holdings Inc. Stock Option Plan, The 2013 Gogo Equity Incentive Plan, The 2016 Gogo Equity Incentive Plan or any other plan implemented by the Company (each a "Plan" and collectively the "Plans")."

3. The Section 16 definition of “Award Agreement” is deleted in its entirety and replaced with the following:

“***“Award Agreement”*** means the written agreement between the Company and the Executive evidencing an Award under a Plan.”

4. The Section 16 “Change in Control” definition is amended by deleting subparagraph

“(i)” and replacing with the following new subparagraph: “(i) the acquisition by any person, entity or “group” (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding equity interests in the Company or the combined voting power of the Company’s then outstanding voting securities, excluding acquisitions by the Thorne Affiliates, as defined in the Stockholders’ Agreement; or”.

5. Except as amended by this Amendment, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officer and the Executive has executed this instrument as of this 4th day of April, 2018.

Gogo LLC:

By: ______________________________

Marguerite M. Elias

Executive:

____

Gogo Inc.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Oakleigh Thorne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gogo 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 4, 2018

/s/ Oakleigh Thorne
Oakleigh Thorne
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Gogo Inc.

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Barry Rowan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Gogo 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 4, 2018

/s/ Barry Rowan
Barry Rowan
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Gogo Inc.

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Oakleigh Thorne, President and Chief Executive Officer of Gogo Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2018 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2018

/s/ Oakleigh Thorne
Oakleigh Thorne
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Gogo Inc.

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Barry Rowan, Executive Vice President and Chief Financial Officer of Gogo Inc. (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2018 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 4, 2018

/s/ Barry Rowan
Barry Rowan
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)