

AIR CHARTER TERMS AND CONDITIONS

These Terms and Conditions shall apply to all contracts for the charter of aircraft from the Operator. No variation of these terms and conditions shall be effective unless agreed in writing by the Operator.

1) Introduction

The Operator of this air charter ("Operator") is a certified air carrier authorised to conduct worldwide commercial operations under the rules and regulations of JAR-OPS 1 and the aircraft in question is also authorised to conduct commercial operations under the same rules and shall hereafter be known as "The Aircraft". The Client, Intermediary (Air Charter Broker) or Government Agency requesting and/or reserving this flight shall hereafter be known as "The Client".

2) Quotations

The Client should note that a quotation is not considered as a confirmed reservation and is subject to availability and traffic rights. The Client should note further that quotations are also subject to the following:

- a) A quotation is not considered as a confirmed reservation until such time as written confirmation has been received by the Operator, the terms of payment have been agreed upon and the Operator has confirmed to the Client in writing to undertake the flight ("the Flight Confirmation").
- b) A quotation may be subject to local taxes and fees that are beyond the control of the Operator and in such a case these costs will be charged directly to the Client.
- c) Any deviation from the original itinerary requested by the Client must be agreed to by the Operator in writing. The costs of any such deviation or any further deviations or delays that are directly caused by the Client are payable by the Client.
- d) The Client should note that the Quotation will include estimates for certain costs, which may not be reconciled for some time after completion of the flight. If any of the named costs for these items should exceed the quotation price the Operator shall have the right to charge these costs directly to the Client. These costs include, but are not limited to: Over-Flight Permits; Airport Charges; De-icing Charges; Catering Charges; Local Taxes; Customs Charges; Accommodation and War Risk Insurance.

3) Aircraft and Crew

The Operator shall provide for the Client's sole use the Aircraft, manned and equipped for the performance of the Charter. Any additional services shall be specified in the Agreement.

4) Intermediaries (Air Charter Brokers)

Quotations to a third party client through an Intermediary are given as NET prices and do not include commission. The Intermediary and the Client shall be jointly and severally liable for the costs of the flight to the Operator.

5) Confirmed Reservation

The reservation will only be confirmed by the Operator on receipt of written confirmation to the Operator from the Client (countersignature of the Flight Quotation) and receipt by the Operator of a ten percent (10%) non-refundable advance deposit, or full payment, in cleared funds, whichever may be applicable.

6) Loading and Packing

- a) Subject as otherwise provided in these Conditions loading and unloading of the Aircraft shall be at the expense of the Operator.
- b) The Client shall ensure that any goods to be transported are sufficiently and properly packed for carriage and shall supply adequate damage and tie-down material taking into account all reasonable demands of the Operator and the Captain and where necessary complying with IATA Restricted Articles Regulations, a copy of which is available for inspection at the offices of the Operator
- c) Charges for ground transportation warehouse handling warehouses and customs clearance shall be at the expense of the Client.

7) Aircraft Availability

The Operator hereby reserves the right to provide the Client with a similar replacement aircraft if the actual aircraft should become unavailable. Any increased costs incurred by the replacement aircraft will be charged to the Client directly. In such a case the Client shall have the right to cancel the reservation but agrees that it has no further rights against the Operator in respect of such cancellation.

8) Cancellation Fees

The Client may cancel any flight by written notice to the Operator and on payment to the Operator of a fee equal to the greater of the following:

- a) If such notice is received at any time after the date of confirmation by the Client (countersignature of the Flight Quotation) then 10% of the charter price.
- b) if such notice is received less than 12 calendar days to the first date of operation, then 20% of the charter price.
- c) if such notice is received less than 7 calendar days to the first date of operation, then 40% of the charter price.
- d) if such notice is received less than 4 calendar days to the first date of operation, then 60% of the charter price.
- e) if such notice is received less than 24 hours, or no notice is received, prior to the scheduled time of first operation then 75% of the charter price.

If part of the flight has been completed the Client shall pay the Operator a fee equal to the proportion of the charter price relating to the completed portion plus 75% of the remainder of the charter price.

9) Payment Terms

Charter payment terms are a ten percent (10%) non-refundable deposit at the time of reservation with the remaining balance to be paid prior to departure. If payment in cleared funds has not been received in the Operator's named bank account at least seventy two (72) hours prior to the planned departure time then the Operator shall have the right to consider the flight as cancelled by the Client and the Operator shall have no further liability to the Client.

At the discretion of the Operator, and after a credit review, the operator may grant the Client credit up to an amount that the Operator may determine applicable. Credit may only be granted prior to any flight if and to the extent recorded in writing by the Operator. The Operator's credit terms require the Client to pay any outstanding balance within seven (7) calendar days of receipt of an invoice. If the Client fails to make payment in accordance with the terms above, the Operator shall have the right to charge interest on all overdue balances at a rate of 2% per each new started calendar month and to withdraw the operation of credit facilities.

All payments shall be made without deduction, set-off, counterclaim or withholding whatsoever.

10) Operator's Protection Against Increased Cost

If there is any increase after Flight Confirmation in security costs, aviation insurance premiums, fuel, airport passenger duty or similar costs relating to the operation of the aircraft or any part of the flight, the Operator shall be entitled to increase the charter price accordingly.

11) Disbursement Charge

All credit and unplanned charges incurred by the Client and paid for by the Operator shall be charged directly to the Client with a fifteen per cent (15%) disbursement charge.

12) Flight Safety

The commander of the aircraft shall have the sole right to determine the prudence of commencing or completing a flight based on any flight safety related matter. In this case, the Operator shall not be deemed to be in breach of contract or to have any liability to the Client whatsoever. The commander of the aircraft shall have absolute discretion: (a) to refuse any passenger(s), baggage or cargo; (b) to decide what load may be carried on the Aircraft and how it shall be distributed; and (c) to decide whether and when a flight may be safely undertaken and where and when the Aircraft should be landed.

13) Delay, Diversion or Cancellation of the Flight

If the performance of the flight is prevented or delayed by the Client or anyone acting on its behalf including (but not limited to) any passenger arriving later than 20 minutes before scheduled departure time the Operator may at its discretion and without any liability whatsoever depart as scheduled or alternatively elect to delay the flight, in which case, demurrage shall run against the Client at a daily rate equivalent to TWO hours flying at the current charter rate for the Aircraft or, as a further alternative, treat the flight as cancelled. The Operator shall use all reasonable endeavours to complete the flight schedule but shall be entitled to depart from the flight schedule for any cause beyond its reasonable control and the Client shall reimburse the Operator on demand for any additional expenses incurred as a result. If for any reason beyond the Operator's control the Aircraft is diverted from any destination shown in the flight schedule to another destination the flight shall be deemed to be complete when the Aircraft arrives at that other destination.

14) Passenger Responsibility

The Operator cannot be held responsible for any passenger being denied entry into a Country because they do not meet the required Visa or Entry requirements relevant to the said Country. Any costs or fines incurred by the Client not meeting the entry requirements will be charged directly by the Operator to the Client.

15) Damage to the Aircraft

The Client hereby agrees to indemnify in full and reimburse the Operator for any damage to the aircraft caused by the direct negligence or misconduct of the Client or any passenger. These costs will be charged directly to the Client. The Client shall indemnify the Operator against all claims and expenses (including legal fees and costs) in respect of any liability of the Operator to third persons (including but not limited to passenger, consignors or consignees) for any loss or damage whatsoever (including costs and expenses on a full indemnity basis) arising out of any wrongful act or omission of the Client its servant or agents or any passenger carried with the authority of the Client.

16) Smoking Onboard

The Client hereby agrees to respect the Operator's No Smoking environment on board all aircraft.

17) Catering

Unless otherwise specified on the Flight Quotation and/or Flight Confirmation documents, catering is not included in the price of the charter.

18) Insurance

The Operator provides through its agents third party liability coverage of at least \$100 million for worldwide operations and of at least \$50 million for European Operations. The Operator provides Passenger liability cover on all operated aircraft. Any sum that should be paid out by the insurance regarding passenger accident liability shall be deducted from any liability claim that the Client may have against the Operator. The

amount is limited to the relevant insurance coverage of the actual individual aircraft. For third party aircraft not included on the Operator's AOC the Client shall have the right to a copy of the actual third party aircraft insurance certificate if the Client so wishes.

19) Liability of Operator

- (a) The Operator does not undertake any carriage as a common carrier.
- (b) Except as expressly provided in these Terms and Conditions the Operator shall not be liable to the Client in any manner whatsoever (whether arising from the negligence of the Operator its employees or agents or otherwise) for any loss or damage whatsoever (including without limitation consequential loss) provided that this shall not exclude or restrict the Operator's liability for death or personal injury resulting from the negligence of the Operator its employees or agents.
- (c) All liabilities in relation to the carriage by air of passengers and their luggage shall be governed by the rules promulgated at the Convention for Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw on 12 October 1929 (as subsequently amended) ("Warsaw Convention").
- (d) The Client agrees to indemnify the Operator and keep the Operator indemnified against all liabilities claims costs and expenses whatsoever incurred to due to or claimed by any third party as a result of any such reason or circumstance save for liability for death or personal injury arising as a result of the negligence of the Operator, its employees or agents.

20) Laws and Traffic Regulations

The Client shall comply with and ensure that each passenger and/or owner of freight carried observes and complies with all traffic regulations of the Operator and all customs police public health and other laws and regulations which are applicable in the countries in which flights are originated, landings are made or over which flights are made. The Client warrants that all passengers will hold all necessary passports visas health and other certificates to secure transit through any intermediate points and/or entry into the place of destination and in the event that the local authorities refuse entry to any passenger in circumstances where the Operator is required to transport such passengers to the point of origin of the flight or to any other point then the cost of so doing shall be repayable by the Client to the Operator upon demand.

21) Limitation of Liability

As regards any claim of liability from the Client towards the Operator for loss, damage, cost or expense including property damage or physical injury to the Client or passengers such loss shall be solely dealt with under the insurance policies as described above. To the extent that the insurance policies do not cover a reasonable loss suffered by the Client or any passenger, and if such loss is not caused by the act or failure to act of the Client or any passenger, then the Operator shall be liable for the loss but the Operator's liability shall be limited to the total amount of the actual charter flight, and in no way whatsoever shall the Operator's uninsured liability, whether arising in contract, at law or in equity, exceed the amount paid by the Client for the said charter flight. The Operator shall also not be liable for any indirect, incidental or consequential damages, costs or liabilities, including solicitors/lawyers/legal fees.

22) Representations and Warranties

Each Party represents and warrants to the other Party that:

- a) it is a company duly incorporated;
- b) it has the power to enter into and to exercise its rights and to perform its obligations under this Agreement;
- c) it has taken all necessary action to authorise the execution of and the performance of its obligations under this Agreement;
- d) the obligations expressed to be assumed by it under this Agreement are legal, valid, binding and enforceable; and
- e) its entry into and performance of this Agreement will not:
 - i. breach or conflict with any provision of its certificate of incorporation or memorandum or articles of association or equivalent; or
 - ii. breach, conflict with or constitute a default under any mortgage, indenture, agreement or other instrument to which it is a party or by which it or any of its assets are bound; or
 - iii. violate any order, judgement or decree of any court or governmental agency to which it is a party or by which it or any of its assets is bound.

23) Force Majeure

- a) For the purposes of this Agreement, "Force Majeure" means, in relation to the Operator, any circumstances beyond the reasonable control of the Operator including the following:
 - i. act of God, epidemic, explosion, earthquake, storm, flood, lightning, tempest, subsidence, fire, accident or aircraft crashes or things falling from aircraft;
 - ii. war, hostilities (whether war has been declared or not), invasion, act of foreign enemies, terrorist acts, acts of any civil or military authority;
 - iii. rebellion, revolution, insurrection, military or usurped power or civil war;
 - iv. riot, insurrection, civil commotion, disorder, public demonstration, sabotage, acts of vandalism;
 - v. ionising radiation or contamination by radioactivity, chemical or biological contamination;
 - vi. delay in transportation or communications;
 - vii. acts, restrictions, regulations, bylaws, orders, refusals to grant, suspensions or withdrawals of any licences or permissions, prohibitions or measures of any kind on the part of any governmental or regulatory authority or court order;
 - viii. import or export regulations or embargoes;
 - ix. strikes, lock-outs or other industrial actions or trade disputes of whatever nature or any shortage of or difficulty in obtaining labour;
 - x. defaults of suppliers or sub-contractors for any reason whatsoever; and
 - xi. breakdown of or accident to plant, machinery or equipment .
- b) The Operator shall not be in breach of this Agreement or liable to the other Party for any failure or delay in performing any its obligations under this Agreement if and to the extent that the failure or delay is due to Force Majeure.

24) Waiver

No delay or failure by the Operator to exercise any of the powers, rights or remedies provided by this Agreement or by law shall operate as a waiver of them, nor shall any single or partial exercise of any such powers, rights or remedies preclude any other or further exercise of them. A waiver of a breach of, or of a default under, this Agreement shall not constitute a waiver of any other breach or default and shall not affect the other terms of this Agreement. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

25) Severability

If any provision of this Agreement is found by any court or other competent authority to be invalid, unlawful or unenforceable then such provision shall be severed from the remainder of this Agreement which shall continue to be valid and enforceable to the fullest extent permitted by law.

26) Notices

Any notice to be given under this Agreement shall be given by delivering it by hand at or by sending it by first class post to the address or by fax to the fax number of the addressee shown in the Agreement. Such notice shall be deemed given if (a) delivered by hand on presentation or refusal of presentation, (b) by first class post on the second working day after the day of posting; and (c) by fax on sending provided the addressee does not notify the sender within 24 hours that it has been incorrectly or illegibly sent.

27) Taxes

Unless expressly included, the charter price does not include any taxes (including, without limitation, VAT) levies or charges assessed or imposed by any taxing or airport authority directly upon the execution or performance of the Agreement or the carriage, embarkation or disembarkation of passengers or the loading or unloading of baggage and/or goods all of which shall be paid by the Client on demand.

28) Entire Agreement

- a) This Agreement supersedes any previous oral or written agreements made or existing between the Parties before or simultaneously with this Agreement (all of which shall be deemed to have been terminated by mutual consent with effect from the commencement date of this Agreement but without prejudice to the rights and liabilities of the Parties accrued before such date) and constitutes the entire understanding between the Parties in relation to the subject matter of this Agreement to the exclusion of any terms implied by law which may be excluded by contract.
- b) Except as otherwise permitted by this Agreement, no change to its terms shall be effective unless it is in writing and signed by or on behalf of both Parties.

29) Exclusion of Warranties

- a) Each Party acknowledges and agrees that in entering into this Agreement it does not do so on the basis of, and does not rely on and shall have no remedy in respect of any statement, representation, warranty, undertaking, understanding (whether negligently or innocently made) or other provision except as expressly provided in this Agreement and all conditions, warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.
- b) Each Party acknowledges and agrees that its only rights and remedies in relation to any statement, representation, warranty, undertaking, understanding (whether negligently or innocently made) or other provision made or given in connection with this Agreement shall be for breach of contract under the terms of this Agreement.

30) No Partnership / Agency

Nothing in this Agreement is intended to or shall create or be deemed to create a partnership between the Parties or, except as expressly provided, authorise either Party to act as agent for the other and neither Party shall have authority to act in the name or on behalf of or otherwise to bind the other Party in any way (including but not limited to making any representation or warranty, assuming any obligation or liability and exercising any right or power).

31) Local Laws

Nothing contained in this Agreement shall require the Operator to do anything in any country where to do so would be contrary to law or public policy.

32) Contracts (Rights of Third Parties) Act 1999

Unless expressly provided in this Agreement, no provision in this Agreement is enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to it.

33) Jurisdiction

- a) The Parties irrevocably agree that the courts of England have exclusive jurisdiction to settle any dispute arising from or connected with this Agreement (a "Dispute")
- b) The Parties irrevocably submit to the jurisdiction of such court and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.