

EFS STANDARD AIR CHARTER AGREEMENT

1. INTRODUCTION

EFS European Flight Service AB is a certified air carrier authorized to conduct worldwide commercial operations under the rules and regulations of EASA-OPS. The Operator will hereafter be known as "EFS". The Aircraft is operated under Air Operator Certificate (AOC) No. SE.AOC.0049 issued by the CAA Sweden, and shall hereafter be known as "The Aircraft". The Client, Air Broker or Government Agency requesting and/or reserving this flight shall hereafter be known as "The Client".

2. QUOTATION

The Client shall be aware that a quotation is not to be considered as a reservation and is subject to availability and traffic rights. The Client shall further be aware that quotations will also be subject to the following:

- a) A quotation will only be considered as a tentative reservation until such time as a written confirmation has been received by EFS, and the terms of payment have been agreed upon.
- b) A quotation may be subject to local taxes and fees that are out of the control of EFS and in such a case these costs will be forwarded without delay to the Client with a 15% disbursement and handling charge.
- c) If any deviation from the original itinerary is requested by the Client, and is agreed to by EFS, or any deviations or delays that are directly caused by the Client, all associated costs will be forwarded without delay to the Client with a 15% disbursement and handling charge.
- d) The Client shall be aware that the Quotation will include estimates for certain costs. If any of the named costs for these items should exceed the quotation price, or if unplanned events result in extra costs, EFS shall have the right to forward these extra costs directly to the Client with a 15% disbursement and handling charge. These costs may include: Over-Flight Permits; Airport Charges; De-icing Charges; Catering Charges; Local Taxes; Customs/Immigration Charges; etc.

3. AIR CHARTER BROKERS

Quotations to a third party client through an Air Broker Company are only given as NET prices and do not include commission. The Broker, as well as the Client, shall be liable to EFS for the agreed charter fee.

4. CONFIRMED RESERVATION

The reservation will be confirmed on receipt of written confirmation to EFS from the Client and after a ten percent (10 %) advance deposit has been received. This deposit will be refundable until twenty (20) calendar days prior to departure whereby the cancellation rules will apply under paragraph 6 herein. This does not apply to a Client who has received a line of credit from EFS.

5. AIRCRAFT AVAILABILITY

EFS hereby reserve 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 forwarded to the Client directly. In such a case the Client shall have the right to cancel the reservation.

6. CANCELLATION FEE

There will be no charge for any cancellation made before or at latest twenty (20) calendar days prior to the planned departure date. However, for flights that are cancelled after the said twenty (20) day period, the ten (10 %) percent refundable deposit will become non-refundable. Further, for flights that are cancelled within one week of the departure date the following shall apply:

- a) Apart to the ten (10 %) percent refundable deposit becoming non-refundable, a further twenty five (25 %) percent of the agreed charter fee will be charged for any cancellation made within one (1) week or seven (7) calendar days to forty eight (48) hours prior to the departure date and time.
- b) Apart to the ten (10 %) percent refundable deposit becoming non-refundable, a further fifty (50 %) percent of the agreed charter fee will be charged for any cancellation made within forty eight (48) hours of the planned departure date and time.
- c) One hundred (100 %) percent of the agreed charter fee will be charged for any cancellation made within twenty-four (24) hours of the planned departure date and time.

The planned departure date will take into consideration any necessary ferry flights required to meet the departure airport.

7. PAYMENT TERMS

For normal Ad Hoc charter flights a ten percent (10 %) deposit shall be paid at the time of acceptance of the agreed charter reservation with the balance remaining to be paid to EFS prior to departure. If the remaining balance has not been paid into the EFS named bank account twenty four (24) hours prior to departure then EFS shall have the right to consider the flight as cancelled by the Client and the rules under paragraph 6 herein shall apply.

At the discretion of EFS, and after a full credit review, EFS may offer the Client credit up to an amount that EFS may determine as applicable. EFS credit terms require the Client to pay any outstanding balance within ten (10) calendar days of receipt of an invoice from EFS. If the Client should fail to meet these requirements then EFS shall have the right to charge interest on all overdue balances at a rate of two percent (2 %) per each new started calendar month.

8. DISBURSEMENT AND HANDLING CHARGE

All credit and unplanned charges as regulated in paragraph 2 herein, that have been paid for by EFS on behalf of the Client, shall be forwarded to the Client without delay and with a fifteen (15%) disbursement and handling charge.

9. FLIGHT SAFETY

The commander of the aircraft shall have the sole right to determine the prudence of commencing or completing a flight based on a risk analysis of any flight safety related hazards. In this case EFS shall not be deemed to be in breach of contract or to have any liability to the Client whatsoever.

10. DELAY OR CANCELLATION OF THE FLIGHT

If the flight should be significantly delayed or cancelled, the Client shall have the right to cancel the agreed charter contract, and EFS shall reimburse the Client for any and all pre-paid funds received for the flight, excepting any costs already incurred by EFS including all costs associated with the return of the Client, and passengers, to the original point of departure. This is not the case if the Client is responsible for the delay or cancellation.

If the flight should be terminated prior to completion, and the Client instructs EFS to provide a replacement aircraft, all extra costs incurred by EFS for the charter of the third party aircraft, shall be forwarded without delay to the Client with a fifteen (15 %) disbursement and handling charge.

EFS reserve the right to cancel a charter flight without neither compensation nor reduction of the agreed charter price when the aircraft has waited for more than 3 hours.

11. PASSENGER RESPONSIBILITY

EFS shall not be held responsible for the Client, or any of the passengers, that are denied entry into a country because they do not meet the required visa or entry criteria. Any costs or fines incurred thereby by the Client, or the passengers, shall be forwarded without delay from EFS to the Client with a 15% disbursement and handling charge.

12. DAMAGE TO THE AIRCRAFT

The Client hereby agrees to reimburse EFS for any damage to the aircraft caused by direct negligence or misconduct on the part of the Client, or any passenger. These costs will be forwarded without delay to the Client with a 15% disbursement and handling charge.

13. SMOKING ONBOARD AND CARRIAGE AND USE OF ELECTRONIC CIGARETTES

The Client hereby agrees to respect the EFS **NO SMOKING** environmental policy onboard all aircraft owned or operated by EFS. This use of Electronic Cigarettes "Vaporizers" is also "**not**" allowed on all aircraft owned or operated by EFS.

Passengers are also advised that carriage of Electronic Cigarettes "Vaporizers" is "**only**" permitted in the passengers hand baggage, which must accompany the passenger at all times in the aircraft's cabin. Under "**no**" circumstances must Electronic Cigarette "Vaporoizers" or similar devices be carried in the passengers checked/hold baggage at any time.

14. INSURANCE

EFS provide through their agents, third party liability coverage of 300 mUSD for global operations and at least 150 mUSD for European Operations. EFS further provide passenger liability cover. Any sum that is covered by the insurance regarding passenger accident liability shall be deducted from any liability claim that the Client may have against EFS. EFS also provide liability coverage for loss or damage to property, baggage and/or personal effects of the Client or any passenger. The amount is limited to the relevant insurance coverage of the actual aircraft individual. For third party aircraft not included on the EFS AOC the Client shall have the right to a copy of the actual third party aircraft insurance certificate on request.

15. LIMITATION OF LIABILITY

For any claim of liability from the Client towards EFS for loss, damage, cost or expense including property damage or physical injury to the Client or any passenger as a loss, shall be the concern of the insurance policies as described in paragraph 14 herein. 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 EFS shall have liability for the loss but only to the corresponding total amount of the actual agreed charter fee for the flight at issue, and in no way whatsoever shall EFS uninsured liability, whether arising in contract, at law or in equity, exceed the amount paid by the Client for the said charter flight. EFS shall not either be liable for any indirect, incidental or consequential damages, costs or liabilities, including solicitors/lawyers/legal fees.

16. FORCE MAJEURE

EFS shall be excused from, and shall not be liable for, any delay in performance under this Charter Agreement, and shall not be deemed to be in default for any failure of performance hereunder, due to causes beyond their control and not occasioned by their fault and negligence. Such causes shall be deemed to be events of "force majeure" and shall include, without limitation, war, warlike operations, armed aggression, insurrections, riots, fires, unfavourable or severe meteorological conditions, explosions, accidents, governmental acts, acts of God, acts of the public enemy, labour troubles, industrial conflicts and strikes and any other cause to the extent that it is beyond the control of EFS.

17. INTERPRETATION AND LAW

This Agreement shall be governed by the Laws and Courts of the State of Sweden. The illegality or non-validity of any paragraph, clause or provision contained or referred to in this Agreement shall not affect or invalidate any other paragraph or provision herein. No terms or provisions contained in this Agreement may be changed except by a mutually agreed codicil hereof signed and delivered.

18. EXECUTION

The Client shall, prior to accepting and signing an EFS charter confirmation or reservation, read and agree to the terms laid down in this EFS Air Charter Agreement and thereafter sign the actual charter confirmation or reservation for a specific flight or series of flights, thereby also accepting the terms specified herein.

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