

STANDARD CONDITIONS FOR THE CHARTER OF AIRCRAFT

1. INTRODUCTORY

1.1 In these conditions:

"Aircraft" means the aircraft identified in the Aircraft Charter Booking Confirmation and which is the subject of this agreement for charter by the Company to the Charterer.

"Aircraft Charter Booking Confirmation" means the form which contains the Company's written confirmation of the Charterers booking.

"Company(s)" means Air Harrods Limited, Company Registration number 3165147, registered office 87-135 Brompton Road, Knightsbridge, London SW1X 7XL.

"Charter" means the flight(s) described in the Programme.

"Charterer(s)" means the person, firm or body named in the Aircraft Charter Booking Confirmation chartering or offering to charter any aircraft from the Company.

"Charter Price" means the charter price specified in the Aircraft Charter Booking Confirmation to this Agreement.

"Conditions" means these standard terms and conditions for the charter of the Aircraft by the Charterer from the Company.

"Programme" means the flight or any series of flights agreed between the Company and the Charterer set out in the Aircraft Charter Booking Confirmation.

1.2 The terms upon which the Company is willing to charter aircraft with crew are contained in these Conditions to the exclusion of all other terms, conditions, warranties and representations including in particular any specified by the Charterer in any way. No addition to or variation of these Conditions shall bind the Company unless in a written agreement and signed by a director of the Company. In the case of any conflict between any terms specifically agreed by the Company and any of these Conditions, the latter will prevail.

1.3 Every contract for the charter of Aircraft shall be subject to these Conditions.

1.4 No order or booking by the Charterer shall be deemed to be accepted by the Company until the Aircraft Charter Confirmation Form is issued by the Company and returned duly signed by the Charterer. In the event of a conflict between these Conditions and the Aircraft Charter Confirmation Form, these Conditions shall prevail.

1.5 The Charterer's attention is drawn particularly to conditions 5, 6 and 9 which exclude or limit the Company's liability.

2. PRICE AND PAYMENT

2.1 Unless expressly included, the Charter Price does not include any taxes, levies or charges (including without limitation VAT and customs duties) assessed or imposed by any airport or air navigation authority or taxing authority on or in connection with the performance of the Programme all of which shall be paid by the Charterer or reimbursed by the Charterer to

the Company on demand in accordance with the payment schedule in the Aircraft Charter Booking Confirmation Form.

2.2 Unless otherwise agreed, the Charter Price does not include car or other transport to or from airports or landing grounds for cargo and/or passengers and their baggage, nor does it include the cost of applicable airport taxes for passengers and/or cargo but all expenses of operating the Aircraft including remuneration expenses of crew, running costs, maintenance, repairs and hangarage are all included in the Charter Price.

Unless the Company has previously agreed in writing to vary the same, the terms of payment are cash (or any other method as agreed between the Company and the Charterer) and are due within (14 days) (or within any other period agreed by the Company with the Charterer) of the Company issuing their invoice or before the departure date (whichever is sooner).

2.3 Unless otherwise specified by the Company, all payments shall be made in sterling without any deduction or set off, counter claim, discount, abatement or withholding whatsoever. If the Company requires a deposit or payment in advance on account such payment shall be made on demand. Time for payment is of the essence.

2.4 The Company shall be entitled to treat non-payment of the Charter Price as constituting the cancellation by the Charterer of the relevant Charter entitling the Company to payment in accordance with Paragraph 2.6 below.

2.5 Should the Charterer cancel this Agreement, then the following cancellation charges may be applied:

2.5.1 The Company reserves the right to charge fees of 100% of the Charter Price if the flight booked falls within a "notable special event" (see below).

On other occasions the following charges may be applied:

Amount of notice of cancellation prior to the scheduled departure	cancellation charge - as a percentage of the Charter Price
Over 7 days	10%
7 days to 48 hours	25%
Less than 48 hours	50%
Less than 24 hours/No show	100%
Cancellation after part of the Programme has commenced	100%

For the purpose of this clause, "a notable special event" includes occasions such as the British Grand Prix, Royal Ascot and the Farnborough Air Show. It also includes any Programme which lasts over 48 hours.

2.5.2 In addition to the charges shown in 2.5.1 above, the Company may also charge the Charterer any expenses incurred in relation to the Programme up to the date of cancellation including but not limited to landing and or parking charges and take off and landing slots expenses.

2.6 On late payment of the Charter Price the Company may charge interest on a daily basis, before as well as after any judgement and until receipt by the Company in full, at 2% above the then current base rate of HSBC plc (or, in its absence, a reasonable equivalent), compounded monthly, which the Charterer shall pay on demand.

2.7 If there is any increase after the date of this Agreement in security costs, aviation insurance premiums, fuel, landing and airport fees, airport passenger duty or similar costs relating to the operation of the Aircraft or any part of the Charter and/or any increase in cost to the Company due to any factor beyond its control including, without limitation, any foreign exchange fluctuations or currency regulations, the Company shall be entitled to increase the Charter Price accordingly.

3. COMPANY'S OBLIGATIONS AND DISCRETION

3.1 The Company shall provide the Aircraft manned, maintained and equipped for the performance of the Programme but shall provide no other services, either in flight or on the ground, unless specifically agreed. The Company reserves the right to charge for auxiliary services provided at the Charterer's request but not specified in the Programme. The pilot provided shall not necessarily speak any language other than English.

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- 3.2 The pilot of the Aircraft shall have absolute discretion to refuse to carry any passenger(s), baggage or cargo, to decide what load may be carried and its distribution on the Aircraft, to decide whether, when and how a flight may safely and legally be undertaken and where and when the Aircraft should be landed, and generally as to all matters relating to the operation of the Aircraft.
- 3.3 Unless otherwise specifically agreed, the Company may at its discretion and without compensation to the Charterer use any part of the carrying capacity of the Aircraft unused by the Charterer for the Programme and any part of the Programme unused by the Charterer, provided it does not interfere with the Programme.
- 3.4 The Company shall be entitled to substitute for the Aircraft another reasonably suitable alternative aircraft, whether or not operated by the Company, in the case of any such substitution, the Conditions in this Agreement shall apply to such substituted aircraft. To the extent that such substitution involves additional costs, such additional costs shall be notified to the Charterer, who shall be entitled to either accept the additional costs or decline the offer of alternative carriage.
- 3.5 The Company is not a common carrier and does not accept the obligations of a common carrier and none shall be implied.
- 4. THE CHARTERER'S OBLIGATIONS**
- 4.1 The Charterer agrees to present the passengers or cargo at the times and in the places stated in the Aircraft Charter Booking Confirmation Form in all respects ready to commence embarkation or loading. If the passengers or cargo are not ready to commence embarkation or loading after two hours from the appointed time, the Company shall have the option of cancelling this Agreement and the Charterer shall be liable for the cancellation charges set out in Paragraph 2.5 above as if the Charterer had cancelled the Programme after the scheduled departure time.
- 4.2 The Charterer shall be liable for rental to the Company for all time spent in loading or unloading the aircraft in excess of the appropriate lay time specified in the Aircraft Charter Booking Confirmation Form or otherwise reasonable in all the circumstances.
- 4.3 If the Programme involves a destination or stop in a country other than the United Kingdom:
- 4.3.1 the Charterer shall be responsible for any immigration and customs charges.
- 4.3.2 the Charterer will ensure that all passengers hold all necessary passports, visas, health certificates and other similar documents and will be responsible for any costs of repatriation or destination which may be incurred including in particular (without limitation) any payments required under the Immigration Act 1971 or the immigration (Carriers' Liability) Act 1987 or any similar legislation in the United Kingdom or any other country. If any passenger fails to present any of these required documents to the Company prior to departure of the Aircraft in a reasonably acceptable form, the Company shall be entitled to refuse the passenger carriage on the Aircraft without any liability to the passenger or to the Charterer.
- 4.4 The Charterer 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 Company and applicable carriage regulations, a copy of which are available for inspection at the offices of the Company.
- 4.5 Charges for ground transportation, warehouse handling, warehouse and customs clearance shall be at the expense of the Charterer.
- 4.6 The Charterer shall ensure that the Programme is complete and accurate.
- 5. NON-PERFORMANCE, DELAY, VARIATIONS AND DIVERSIONS**
- 5.1 If the performance of the Programme is prevented or delayed by any act or omission of the Charterer or anyone under its control or acting on its behalf (including, without limitation, by any passenger or goods arriving later than 30 minutes before the agreed scheduled departure time) the Company may at its discretion and without liability whatsoever:
- 5.1.1 depart as scheduled, or
- 5.1.2 delay departure for up to 2 hours during which time the Charter Price will be charged at usual rate(s), or
- 5.1.3 reduce the duration of the Programme if necessary to prevent the pilot of the Aircraft and/or the Aircraft crew exceeding the number of hours which they legally work, or
- 5.1.4 the Company may cancel the Programme. In the event of cancellation the Charterer shall pay all cancellation costs as set out in clause 2.5.1 and 2.5.2 of this agreement as if the Charterer had cancelled the Programme after the scheduled departure time.
- 5.2 In the event of non-performance, partial performance or delay resulting wholly or partly from any force majeure or occurrence or any circumstances whatever beyond the Company's control, including (without limitation) the acts or omissions of third parties, labour difficulties, weather conditions, technical breakdown of or accident to the Aircraft or any part of it, natural disaster or the act of any authority, the Company shall use reasonable endeavours to perform or continue the Programme (but shall be without obligation substitute another aircraft) but otherwise shall have no liability to the Charterer. The Charterer shall be liable to pay such part of the Charter Price as is referable to that part of the Programme which has been performed (if any), and all expenses whatever connected with it, and anything in excess already paid by the Charterer shall be refunded. The Company's determination of the referable part of the Charter Price and the connected expenses shall be conclusive, in the absence of manifest error.
- 5.3 In the event of any variation from or addition to the Programme at the request of the Charterer the Charterer shall pay for additional flying hours where appropriate at the hourly rate applying to the Programme or such rate stated by the Company which is reasonable having regard to the price and any expenses or losses arising from or connected with the variation from or addition to the Programme, together with all expenses whatever connected with it (including, without limitation, any transport, accommodation and subsistence expenses incurred by the crew and any engineering staff).
- 5.4 The Company shall use reasonable endeavours to perform and complete the Programme but may depart from it if it is reasonably necessary or advisable in its opinion in the interests of safety or legality, in which case any additional flying hours and expenses incurred by the Company shall be reimbursed by the Charterer to the Company.
- 5.5 The Company shall use reasonable endeavours to perform the Programme in accordance with any times indicated but such times are not guaranteed and (without prejudice to condition 5.2) the Company shall have no liability for reasonable delay.
- 5.6 If for any reason whatsoever the Aircraft is unable to reach the scheduled destination or stopover shown in the Programme or if in the opinion of the pilot of the Aircraft or the Company it is undesirable in the interests of the safety of the Aircraft or the passengers or the cargo, that the Aircraft should or should attempt to proceed to such scheduled destination or stopover, or if in the opinion of the Company or the pilot of the Aircraft the Aircraft is likely to be delayed in such scheduled destination or stopover, the pilot of the Aircraft or the Company may substitute there for such other reasonable alternative place, including the place from which the Aircraft departed as may be nearest to the scheduled destination or stopover in discharge of the obligations of the Company under this agreement. The Programme shall be deemed to be completed when the Aircraft lands at the other destination. Such right of substitution may be exercised before or after the Aircraft has left the place of departure and whether or not the Aircraft is in the air or on the ground. This right of substitution shall apply in respect of any journey to any destination.
- 6. INSURANCE, LIABILITY AND INDEMNITY**
- 6.1 The Company shall procure the following insurance in full force and effect during the term of the Programme:
- (a) All risks in respect of damage to the Aircraft
- (b) Liability to third parties and passengers arising out of the operation of the Aircraft
- (c) Baggage and cargo (loss and damage) insurance cover up to a maximum per Passenger per Programme of \$10,000.00 unless otherwise expressly agreed in advance in writing by the Company.
- 6.1.1 There shall be no contractual limit upon the amount of the compensation which the Company can be ordered to pay in respect of any passenger killed or injured in the course of the Programme in circumstances where the Company is held legally liable for such event, save in the circumstances set out in Clause 6.1.2 below.



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6.1.2 Where the Company can prove that it and its agents have taken all necessary measures to avoid death or personal injury to its passengers, or that it was impossible for the Company to have taken any such measures identified, the Company hereby limits its maximum liability to the maximum extent permitted by applicable laws.

6.2 Save as expressly stipulated herein, the Company shall not be liable to the Charterer in any manner whatever (whether in contract, tort or otherwise) in respect of any loss, damage or injury, whether direct, indirect, economic, consequential or of any other kind whatever, however arising out of or in such connection with these Conditions.

6.3 The Company will not have any liability whatever to third parties, and the Charterer will indemnify and keep indemnified the Company against any loss, damage, costs, claims and expenses incurred by the Company in respect of any liability whatsoever to third parties, in each case in so far as such liability arises wholly or partly out of any of the following:

- (a) any breach of contract by the Charterer (including in particular, without limitation, the Charterer's failure to provide equipment, materials, accessories, or ground services or facilities reasonably suitable for the Programme);
- (b) any wrongful or negligent act or omission of the Charterer or its employees agents or sub-contractors or any passenger or owner of goods carried at its request;
- (c) any damage to, destruction of or loss of use of any property (other than the Aircraft itself and baggage and cargo covered by Clause 6.1 (c) hereof) supplied by or at the request of the Charterer and in the care, custody or control of the Company.

6.4 The Company's total liability to the Charterer in contract, tort (including negligence or breach of statutory duty) misrepresentation, restitution or otherwise arising out of or in connection with these Conditions shall be limited to the Contract Price.

7. COMPLIANCE WITH REGULATIONS

The Aircraft shall be used only in accordance with the laws and regulations of the United Kingdom and other states over flown and in accordance with the Air Navigation Orders, Regulations and Directions in force in the country of registration of the Aircraft. The Charterer shall comply and shall procure that all passengers and owners or other persons having any interest in goods carried in the Aircraft shall comply with all relevant customs, police, public health and other lawful regulations in the United Kingdom and the said States. The Company shall, at its own expense apply for and use its reasonable endeavours to procure the grant of all licences and permits required by the law of the United Kingdom or of any State over or from which the Aircraft has to be flown for the performance of the Programme but the performance of the Programme shall be conditional upon the timely grant and validity of such licences and permits. The Charterer warrants that it will comply with all conditions of such licences or permits to be observed or performed by them and it will procure such compliance on the part of all passengers and owners or other persons interested in goods to be carried on the

Aircraft. The Charterer shall, as soon as possible, provide the Company with all and any information that the Company may require in order to apply for any licences and to the completion of all travel documents which the Company will give to the Charterer who will then be responsible for issuing.

8. ASSIGNMENT

The Charterer shall not be entitled to assign the benefit or transfer any of its rights or obligations under these Conditions to any other person without the prior consent in writing of the Company, but the Company may procure the various performance of its obligations hereunder by some other person, firm or company.

9. WAIVER

9.1 A waiver of any right under these Conditions is only effective if it is in writing and it applies only to the party to whom the waiver is addressed and the circumstances to which it is given.

9.2 Unless specifically provided otherwise, rights under these Conditions are accumulative and do not exclude rights provided by law.

10. THIRD PARTIES

Save as provided herein, no other party shall have any rights whatsoever under the Agreement for the Charter. Accordingly, the provisions of the Contracts (Rights of Third Parties) Act 1999 (or any re-enactment thereof) are expressly excluded.

11. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the Laws of England and the courts of England and Wales shall have non-exclusive jurisdiction to deal with any dispute arising hereunder.

12. NOTICES

All notices and other communications in connection with this Agreement shall be in writing and either delivered by hand or sent by telex or fax in the case of the Company to such address as it may have notified for such purposes, or in the absence of such notification, to its registered office, and in the case of the Charterer to its address last known to the Company. Notices shall be considered served upon delivery in the case of delivery and sending in the case of correct transmission by telex or fax.

13. SEVERANCE

If any part of these Conditions is considered by any court or competent authority to be unenforceable, invalid or illegal, the other provision will nevertheless remain in full force and effect.

SIGNED FOR AND ON BEHALF OF THE COMPANY BY:

SIGNED FOR AND ON BEHALF OF THE CHARTERER BY:

.....

Name:

Position:

Date:

.....

Name:

Position:

Date: