

STANDARD CONDITIONS FOR THE CHARTER OF AIRCRAFT

1. INTRODUCTORY

parking charges and take off and landing slots expenses.

1.1 In these conditions:

- “the Company” means Air Harrods Limited, Company Registration number 3165147, registered office 87-135 Brompton Road, Knightsbridge, London SW1X 7XL.
- “the Charterer” means the person firm or body named in the Schedule to this agreement chartering or offering to charter any aircraft from the Company.
- “the Aircraft” means the aircraft identified in the Schedule to this agreement and which is the subject of this agreement for charter by the Company to the Charterer.
- “the Programme” means the flight or any series of flights agreed between the Company and the Charterer set out in the Schedule to this agreement including places of departure, places of destination, any stopping points, any departure and arrival times and any particular agreed functions.
- “the Charter Price” means the charter price specified in the Schedule to this agreement.

- 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 accepted in writing 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 former will prevail.
- 1.3 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.
- 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.
- 2.3 Unless the Company has previously agreed in writing to vary the same, the terms of payment are cash before departure.
- 2.4 Unless otherwise specified by the Company, all payments shall be made in sterling without any deduction or set off whatever. 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.
- 2.5 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”.
- On other occasions the following charges may be applied:

Amount of Notice of Cancellation Prior to 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%
No notice/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 flight 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

- 2.6 In the event of a grant of credit, on late payment 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 Midland Bank plc (or, in its absence, a reasonable equivalent), compounded monthly, which the Charterer shall pay on demand.

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 pilot provided shall not necessarily speak any language other than English.
- 3.2 The pilot of the Aircraft shall have absolute discretion to refuse to carry any passenger, baggage or cargo, to decide what load may be carried and its distribution, 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 terms and conditions in this agreement shall apply to such substituted aircraft.
- 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 Schedule 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 Schedule 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.

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
- 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 payable as if the Aircraft were airborne, 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.

STANDARD CONDITIONS FOR THE CHARTER OF AIRCRAFT

- 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 shall be paid for by the Charterer.
- 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 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. 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 maintain in full force and effect during the term of the Programme the following insurance:
 - (a) All risks in respect of the Aircraft
 - (b) Liability to third parties 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.
- 6.2.1 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 6.2.2 below.

6.2.2 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.

- 6.3 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 any charter agreement.
- 6.4 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 whatever 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.

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 may be obliged to issue.

8. ASSIGNMENT

The Charterer shall not be entitled to assign the benefit of this agreement to any other person without the 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. GOVERNING LAW

This Agreement shall be construed in accordance with the Laws of England and the forum for any disputes shall be the English Courts.

10. 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

SIGNED FOR AND ON BEHALF OF THE CHARTERER BY:

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Name:
Position:.....
Date:.....

SIGNED FOR AND ON BEHALF OF THE COMPANY BY:

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Name:
Position:
Date: