



## GENERAL TERMS AND CONDITIONS OF AIR CHARTER AGREEMENT

### **NOTICE – EU COUNCIL REGULATION 889/2002**

Where the Carrier is a Community Air Carrier EU Council Regulation 2027/97 as amended by EU regulation 889/2002 shall govern the liability of such carrier.

### **NOTICE – EU COUNCIL REGULATION 261/2004**

Where the Carrier is a Community Air Carrier EU Council Regulation 261/2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights may apply to the Flight.

### **NOTICE – WARSAW/MONTREAL CONVENTIONS LIABILITY FOR BAGGAGE, CARGO, INJURY OR DEATH**

The flight may be governed by the International Convention for the Unification of Certain Rules Relating to International Carriage by Air as amended (the "Warsaw Convention") as amended and supplemented and/or by the rules and regulations established by the Montreal Convention on the Unification of Certain Rules for International Carriage signed in Montreal on 28<sup>th</sup> May 1999 (the "Montreal Convention") which rules and limitations, shall to the extent such Warsaw Convention and/or the Montreal Convention is/are applicable, apply to the Flight(s) conducted by the Carrier.

## WHEREAS:

- A. This agreement (the “General Terms and Conditions”) sets out the general terms and conditions for the supply of air charter brokerage services and related services by Air Harrods Ltd to the Charterer.
- B. The provision of these General Terms and Conditions will be incorporated into each Charter Contract (as defined herein) in their entirety, unless otherwise stated.
- C. In the event of any conflict between the terms of any Charter Contract and the General Terms and Conditions the Charter Contract shall prevail.

## 1. Definitions

<b>AHL</b>	means Air Harrods Limited
<b>Agreement</b>	means the Agreement between the Charterer and AHL for the provision by AHL of air charter brokerage services comprising these General Terms and Conditions, all Charter Contracts and any annexes and schedules thereto
<b>Aircraft</b>	means the aircraft (or its suitable substitute) operated in connection with a Flight
<b>Carrier</b>	means any commercial air carrier or aircraft operator selected to provide the Aircraft for the period of the charter
<b>Charter</b>	means the charter of the Aircraft by the Charterer, as arranged by AHL and pursuant to the terms herein
<b>Charter Price</b>	means the price of the Charter as set out in the Charter Contract
<b>Charter Contract</b>	means the charter details substantially in the form of the Aircraft Booking Confirmation hereto
<b>Check-in Time</b>	the time or times stated in the Charter Contract or as otherwise notified to the Charterer by AHL
<b>Departure Time</b>	means the departure time of the Flight(s) as set out in the Charter Contract
<b>Flight</b>	means the flight described in each Charter Contract
<b>Force Majeure</b>	means any event beyond a party’s control including (but not limited to acts of God, explosions, revolutions, acts of terrorism, hijacking, insurrection, riot, civil commotion, war, national or local emergency, act of government, lock-out, strike, industrial dispute or action, fire lightning, flooding, embargoes, quarantine, requisition of an aircraft or cargo, acts or omissions of third parties and extreme weather conditions
<b>Traffic Documents</b>	all passenger tickets, baggage checks, air waybills and other documents required under applicable international conventions or other applicable law

## 2. Services provided by AHL

- 2.1. AHL agrees to provide aircraft charter brokerage services to the Charterer in accordance with the requirements, terms and conditions of the Agreement
- 2.2. AHL shall be responsible for the sourcing of a suitable aircraft from the Carrier for Charter in accordance with the Charterer’s requirements.
- 2.3. The Charterer agrees that carriage will be provided by the Carrier and that the Carrier will have the exclusive responsibility for the maintenance and operation of the Aircraft for the period of the charter. The Charterer agrees that, AHL having no authorisation from the Carrier, the crew shall be the servants and agents of the

Carrier and shall be authorised to take orders only from the Carrier unless otherwise agreed by the Carrier and recorded in writing.

- 2.4. AHL shall procure that the Carrier provides the Aircraft properly manned, maintained, equipped and fuelled for the Charter in accordance with the laws and regulations of the state of registration of the Aircraft and all other applicable laws and regulations.
- 2.5. Carriage performed by the Carrier shall be subject to the conditions of carriage contained or referred to in the Traffic Documents of the Carrier from time to time, including its own conditions of carriage.

### **3. Charter Price**

- 3.1. The Charter Price shall be specified in the Charter Contract and shall, unless otherwise stated, include fuel, oil, maintenance, landing, security, per capita head fees, air traffic control, hangarage, parking, ground handling, all license fees, clearance fees, royalties and non-objection fees, baggage screening charges, and the remuneration and expenses of the Carrier's crew and cabin staff.
- 3.2. All other costs including (but not limited to), aircraft de-icing, diversion of the aircraft (unless for technical reasons), passengers use of satellite communications, on-board Wi-Fi and other such communication and media services, connections to and from airports, ground accommodation and non-standard catering shall exclusively be for the account of the Charterer, unless otherwise specified in the Charter Contract.
- 3.3. The Charter Price shall be based on the costs of aviation fuel and other variables at the date of the Charter Contract. Accordingly, the Charter Price shall be subject to surcharges imposed by the Carrier for any fuel, insurance or currency variations.
- 3.4. The Charter Price and all other charges provided for in the Agreement are exclusive of any value added or sales taxes which shall be paid in addition by the Charterer at the prevailing rate.

### **4. Payment**

- 4.1. The Charterer shall pay AHL the Charter Price and any other sums set out in the Charter Contract at the time specified in the Charter Contract and in the currency specified in the Charter Contract without set-off, deductions or counterclaim.
- 4.2. In the event that additional services are requested over and above those in the Charter Contract and AHL agree to provide such services, AHL shall raise separate invoices for such services, the payment terms for which shall be set out in the invoice.
- 4.3. In the event that the Charterer is required to withhold any part of any payment payable by it to AHL hereunder or to make any deductions therefrom, it shall pay such additional amount as may be necessary so that after making such withholding or deduction, AHL shall receive from the Charterer the full amount of such payment.
- 4.4. Time of payment is of the essence in this Agreement. AHL may without prejudice to any other rights or remedies under this Agreement, terminate this Agreement without liability to the Charterer in the event that payments are not made on the dates specified. AHL shall also be entitled to recover from the Charterer any applicable cancellation charges imposed by the Carrier.
- 4.5. If for any reason any payment due to AHL hereunder is not made on the due date, and notwithstanding AHL rights in Clause 4.3, then the Charterer shall pay to AHL simple interest on the amount unpaid at the rate of 4% per annum above the prevailing base rate of Barclays Bank Plc from the due date until the date of payment.

### **5. Traffic Documents and Embarkation**

- 5.1. AHL shall procure that the Carrier shall supply the Traffic Documents and all other necessary documents relating to the carriage undertaken pursuant to this Agreement and the Charterer shall provide to AHL all necessary information and assistance to complete such documents as soon as possible after the making of this Agreement and, in any event, in sufficient time to be completed for issue to passengers.
- 5.2. All Flights are conditional on the grant and continued retention of, and are subject to, the terms and conditions of (i) the relevant air transport licence issued to the Carrier by the relevant authority and (ii) any further licenses

or registrations which may be required for the operations of the Flight, whether required under the laws or regulations of the state in which the Aircraft is registered or any other state to, from or over which the Aircraft will be flown in the course of the Flight.

- 5.3. The Charterer shall ensure that passengers and their baggage and any cargo shall be at the specified check-in point at the departure airport not later than the Check-in Time and that all passengers possess all required Traffic Documents, identity documents, passports, visas and other documents required by the Carrier and authorities of states of departure, transit and arrival of the Flight for the transportation of them, their baggage and any cargo.
- 5.4. In the event that any passenger of the Charterer fails to arrive in sufficient time to be carried on the Flight (notwithstanding any efforts made by AHL to re-schedule the Flight pursuant to Clause 6.2), AHL and/or the Carrier shall be under no liability whatsoever to the Charterer or to such passenger. If the Carrier, in its absolute discretion, arranges for any such passenger to be carried on an alternative flight or routing, the Charterer shall pay on demand to AHL such additional sum that the AHL may specify for each such passenger to cover any additional charges levied by the Carrier.
- 5.5. In the event that any passenger of the Charterer is refused entry at any destination airport, the Charterer shall indemnify and keep indemnified AHL, its officers and employees and agents against any and all cost of expense whatsoever incurred by AHL in respect thereof (including but not limited to charges, fees, penalties, imposts or other expenses levied upon the Carrier and passes on the AHL) or of any arrangements made by the Carrier and/or AHL to return such passenger to the country from which such passenger was originally carried.

## 6. Flight Cancellation and Delay

6.1. In the event that:

- 6.1.1. any Aircraft required for the operation of any Flight is detained (whether lawfully or not) by any third party (including but not limited to detention by any aviation or airport authority, overflight authority or by way of lien or requisition for hire or otherwise); or
- 6.1.2. if the Carrier has an administrator, receiver, administrative receiver, trustee or other like person appointed over a part or all of its assets or business and as a result the Carrier is unable to perform the Flights at the same cost to the Carrier; or
- 6.1.3. if the Carrier becomes insolvent, enters into voluntary liquidation or is compulsorily wound up

then AHL shall use reasonable endeavours to find an alternative carrier to operate such Flights as may be affected by the occurrence of any of the above events. In the event that the cost of replacement exceeds that of the original Charter Price then any additional costs in securing an alternative carrier shall be for the account of the Charterer.

- 6.2. If a Flight is, or is to be delayed beyond the scheduled time of departure by reason of any failure by the Charterer or any passenger to comply with its obligations hereunder or any other act or omission on the part of the Charterer or any passenger, in all cases which is not attributable to Force Majeure or otherwise not beyond Charterer's or any passenger's control, then AHL shall use reasonable endeavours to make arrangements with the Carrier to re-schedule the affected Flight provided always that the Charterer shall indemnify AHL in respect of any loss incurred by, or increased charges levied on, AHL as a result of such delay.
- 6.3. If AHL is unable to make arrangements with the Carrier to re-schedule the affected Flight noted in 6.2 above, AHL reserves the right in such circumstances to cancel the Charter Agreement with respect to the affected Flight, and to charge the Charterer the applicable cancellation charges in the Charter Contract.
- 6.4. In the event of any delay (other than any delay for technical reasons the responsibility and liability for which shall lie with the Carrier) deviation or diversion of any Flight, the Charterer shall be solely responsible for any and all accommodation, refreshments, meals, transportation or any other additional costs, expenses, losses, damages or liabilities of whatsoever nature incurred in respect of the Charterer's passengers wherever and howsoever the same shall arise. All such costs, expenses, losses, damages or liabilities incurred by the Carrier shall be reimbursed by the Charterer to AHL on demand.

- 6.5. The Charterer may cancel a Flight pursuant to the Agreement at any time prior to departure by notice in writing to AHL, subject to the cancellation terms set out in the Charter Agreement.
- 6.6. Cancellation charges shall vary depending on the Carrier and Flight(s) to be performed. AHL shall use reasonable endeavours to minimise cancellation charges raised by the Carrier however the Charterer acknowledges that such charges will be levied upon AHL in the event of Charterer's cancellation and as such, the cancellation charges as between AHL and Charterer represent a genuine pre-estimate of the loss that AHL will suffer and do not in any way represent a penalty.

## **7. Aircraft and Crew**

- 7.1. The captain of the Aircraft shall have complete discretion concerning preparation of the load carried and its distribution and of the Aircraft for flight, whether or not a Flight shall be undertaken or abandoned once undertaken and deviation from proposed route, where landing shall be made and all such other matters relating to the operation of the Aircraft and the Charterer shall accept all such decisions as final and binding.
- 7.2. All ground and operating personnel, including cabin staff, are authorised to take orders only from the Carrier unless specific written agreement shall first have been obtained from the Carrier whereby certain defined instructions may be accepted by such personnel from the Charterer.
- 7.3. Subject always to the Carrier's conditions of carriage, in the event that a passenger's conduct, behaviour or health is deemed by the captain of the Aircraft to cause, or be likely to cause, discomfort or nuisance to other passengers or jeopardise the safety of the passengers and/or the Aircraft, then the captain of the Aircraft shall be entitled to take any action deemed necessary to procure the safety of the passengers and Aircraft including, but not limited to diverting or returning to the airport of departure and/or removing the passenger(s) in question. If such action is deemed necessary, Charterer shall compensate AHL against any loss incurred by AHL as a result of such diversion and removal.

## **8. Exclusion of Liability**

- 8.1. Both AHL and the Charterer shall not be under any liability to each other for any failure by it to perform its obligations under the Agreement arising from force majeure (as defined below), labour disputes, strikes or lock-outs or any other cause beyond the control each party including but not limited to accidents to or failure of the Aircraft, engines or any other part thereof or any machinery or apparatus used in connection therewith.
- 8.2. The Charterer shall indemnify AHL against any loss, damage, liabilities, costs or expenses of whatsoever nature caused to be suffered or incurred by the AHL and its officers, employees, agents or subcontractors arising out of any act or omission of the Charterer or its officers, employees or agents whether arising in contract or tort (including negligence) or otherwise.
- 8.3. AHL is not an air carrier, neither is it an operator of aircraft or agent of the Carrier and accordingly shall not be deemed to undertake any carriage to which this Agreement relates as a common carrier.
- 8.4. The Charterer hereby acknowledges that it recognises that AHL is not in any way responsible for the acts, omissions or defaults of the Carrier or the failure of the Carrier to perform its obligations contemplated hereunder and hereby waives any claims against AHL for the Carrier's acts, omissions and defaults, including but not limited to, technical failure of the Aircraft resulting in accident, cancellation or delay.

## **9. Termination**

- 9.1. Either party ("the terminating party") may terminate this Agreement immediately by notice in writing if:
  - 9.1.1. the other party commits a breach of the Agreement which is incapable of remedy or which, if capable of remedy, is not remedied within such reasonable time as the terminating party shall require following notice to the other party of the breach; or
  - 9.1.2. the other party is unable to pay its debts (within the meaning of Section 123 Insolvency Act 1986 as if the words 'if it is proved to the satisfaction of the court were replaced by 'if in the reasonable opinion of the terminating party) or a petition is presented or a resolution is passed to wind up the other party or an administration order is made in relation to the other party or a receiver, manager, administrative receiver or like person is appointed over the whole or any material part of the property, undertaking or assets of the

other party; or the other party makes a voluntary arrangement within the meaning of Section 253 Insolvency Act 1986 or the other party becomes insolvent or is otherwise unable to pay its debts; of an analogous event to any of those in this Section 11.4.2 occurs in respect of the other party in any territory whose jurisdiction the other party is subject.

- 9.2. Termination of this Agreement shall be without prejudice to any rights or remedies available to or any obligations or liabilities accrued to, either party at the effective date of termination. Except as provided herein, following termination the parties will have no obligation to further perform their obligations under the Agreement, with the exception of any obligations which expressly apply hereunder after termination.
- 9.3. Notwithstanding anything in the Agreement to the contrary, in the event of any termination by AHL, AHL shall, at the Charterer's request, honour and cause each Carrier to perform any trips that were scheduled by the Charterer prior to the effective date of the termination

## 10. Miscellaneous

- 10.1. Any notice required to be given under this Agreement shall be in writing and shall be deemed duly given if (i) sent by registered post or (ii) sent by email transmissions followed by mailing of such transmission to the party to whom such notice is being given at its last known address. Notice shall be deemed to be delivered and effective as of the date shown on any certified receipt issued by postal authorities if sent by registered mail or if sent by email on the date of the transmission proved that the confirmation of delivery shall have been received by the sending party.
- 10.2. This agreement sets out the entire agreement and understanding between the parties or any of them in connection with the charter of the Aircraft as described herein.
- 10.3. No person other than a party to this Agreement may enforce this Agreement by virtue of the Contracts (Rights of Third Parties) Act 1999.
- 10.4. No party has relied on any warranty or representation of any other party except as expressly stated or referred to in this Agreement.
- 10.5. No claims shall be made against AHL in respect of any representation warranty indemnity or otherwise arising out of or in connection with the charter of the Aircraft except where such representation, warranty or indemnity is expressly contained or incorporated in this Agreement.
- 10.6. No variation of this Agreement shall be effective unless made in writing and signed by authorised signatories on behalf of both parties.
- 10.7. No failure by AHL to exercise and no delay by AHL in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.
- 10.8. The Charterer shall not be entitled to assign the benefit of this Agreement without AHL prior written consent.
- 10.9. The waiver by either party of a breach or a default of any provision of the Agreement by the other party shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of either party to exercise or avail itself of any right, power or privilege that it has or may have hereunder operate as a waiver of any right, power or privilege by such party.
- 10.10. This Agreement may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute but one and the same instrument.

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