

## **1 STANDARD TERMS AND CONDITIONS**

These conditions apply to all chartering aircraft from Sovereign, to the exclusion of all other terms, conditions, warranties and representations, except any specifically agreed between the parties in writing or by telex.

### **1.1 DEFINITIONS**

In these conditions the following expressions shall have the following meanings:

'The Carrier'	Sovereign Business Link Ltd
'The Charterer'	Any person, form or body corporate chartering or offering to charter, any aircraft from the Carrier.
'The Aircraft'	Any aircraft which is the subject of a charter agreement between the Carrier and the Charterer.
'The Flight Schedule'	The place of departure, place of destination and any stopping points, together with any indications of departure and arrive times, agreed between the Carrier and the Charterer.
'The Agreement'	Any agreement between the Carrier and the Charterer for the charter of aircraft from the Carrier.
'Fees and Charges'	Landing fees, hangerage fees, parking fees, air navigation fees, ground service and handling fees, customs fees, airport surcharges, ground transportation, airport transfers costs, accommodation, meals and refreshment charges and all pilot and crew expenses thereby incurred.
'Common carrier'	A Carrier selling individual seats on an Aircraft.

### **1.2 AIRCRAFT AND CREW**

The Carrier shall provide for the Charterer's use the Crew as appropriate and Aircraft slot equipped for the performance of the Flight Schedule. The Carrier shall provide no services during the flight.

### **1.3 CARRIER'S DISCRETION**

If the Aircraft shall for any reason (whether before or after the commencement of the Flight Schedule) become incapable of undertaking or continuing all or part of the Flight Schedule the Carrier at its discretion substitutes therefore one or more aircraft of the same or another type and the provisions of the Agreement shall apply mutatis mutandis to the substituted aircraft. If the Carrier does not substitute another aircraft it shall not be under any liability to the Charterer and the Charterer shall remain liable to pay for that part of the Flight Schedule (if any) that has been performed at the time the Aircraft becomes so incapable.

#### **1.4 CAPTAIN'S DISCRETION**

The Captain of the Aircraft shall have absolute discretion:

- a) To refuse any passenger(s), baggage, cargo or any part thereof
- b) To decide what load may be carried on the Aircraft and how it shall be distributed
- c) To decide whether and when a flight may be safely undertaken and where and when the Aircraft should be landed.

#### **1.5 LOADING AND PACKING**

- a) Subject as otherwise provided in these Conditions loading and unloading of the Aircraft shall be at the expense of the Carrier.
- b) 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 Carrier 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 Carrier.
- c) Charges for ground transportation warehouse handling warehouses and customs clearance shall be at the expense of the Charterer.
- d) The Charterer must provide advance notice of 10 working days for all goods to be carried.

#### **1.6 UNUSED CAPACITY**

The Carrier shall be entitled at its own discretion and without compensation to the Charterer to use any part of the carrying capacity of the Aircraft unused by the Charterer, except by means of the carriage of additional passengers and to use any part of the Flight Schedule unused by the Charterer unless stipulated in the contract or agreement between the Carrier and Charterer.

#### **1.7 CHARTER PRICE**

The Charterer shall pay to the Carrier the charter price and subject as otherwise herein provided the Charterer shall not be responsible for any other expenses of or in connection with the Aircraft or the Flight Schedule. Unless credit facilities have been put in place prior to flight, payment (cleared funds) must be made prior to flying. The Carrier reserves the right to cancel the Flight Schedule without warning in the event that monies remain unpaid at the proposed time of departure.

#### **1.8 INTEREST ON DELAYED PAYMENTS**

If the Charterer shall delay in making any payment to the Carrier when due, interest on the amount overdue will be payable at 2% per month or part of a months, compounded monthly.

## **1.9 CARRIER'S PROTECTION AGAINST INCREASED COST**

In the event of there being any increase beyond the control of the Carrier in the cost of the Carrier's performing any of its obligations under the Agreement between the date of the Agreement and the completion of the Flight Schedule, the Carrier may give written notice thereof to the Charterer and the amount payable by the Charterer shall be increased by the amount directly attributable to such increase incurred more than 7 days after receipt of such notice by the Charterer unless the Charterer has terminated the Agreement pursuant to clause 1.24 (c) hereof.

## **1.10 TAXES AND CHARGES**

Unless expressly included the charter price does not include any taxes levies or charges assessed or imposed by any taxing or airport authority directly upon the execution or performance of this 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 Charterer on demand.

## **1.11 NON-PERFORMANCE OR DELAYS**

- a) If the performance of the flight is prevented or delayed by the Charterer or anyone acting on its behalf including (but not limited to) any passenger arriving later than 20 minutes before scheduled departure time the Carrier may at its discretion and without liability depart as scheduled or alternatively elect that demurrage shall run against the Charterer at a daily rate equivalent to **TWO** hours flying at the current charter rate for the Aircraft.
- b) In the event of non-performance or delay caused by actions of third parties, labour difficulties, force majors (including but not limited to inclement weather) or technical breakdown or accident to the Aircraft or any part thereof or any machinery to be used in relation to the aircraft the Carrier shall use reasonable endeavours to perform or continue the flight Schedule but otherwise shall have no liability to the Charterer.
- c) The Charterer shall be liable to pay such portion of the charter price as shall be proportionate to that part of the flight Schedule which has been performed together with all passengers' expenses and any additional charges and expenses payable by the Charterer pursuant hereto.

## **1.12 ADDITIONAL FLIGHTS**

If at the request of the Charterer the Aircraft is used by the Charterer otherwise than in accordance with the Flight Schedule the Charterer shall pay to the Carrier in respect of such use a sum calculated at the basic hourly rate applying to the Flight Schedule which sum shall be notified by a duly authorised officer or employee of the Carrier and shall thereupon become due and payable together with all fees and charges imposed by law in respect of each flight including without prejudice to the generality of the foregoing fees as referred in 1.1.

## **1.13 DEPARTURE FROM FLIGHT SCHEDULE**

The Carrier shall use all reasonable endeavours to complete the Flight Schedule but shall be entitled without liability to depart from the Flight Schedule if necessary at its discretion and any additional expenses shall be borne by the Charterer including onward travel and accommodation.

#### **1.14 DIVERSIONS**

If for any reason the Aircraft is diverted from any airfield or destination shown in the Flight Schedule to another airfield the journey to the said airfield of destination shall be deemed to be complete when the Aircraft arrives at the other airfield. The Carrier shall use all reasonable endeavours to relocate the Charterer to the destination shown in the Flight Schedule any extra fees (refer to clause 1.1) for this relocation being the responsibility of the Charterer.

#### **1.15 LIABILITY OF CARRIER**

- a) The Carrier does not undertake any carriage as a common carrier (refer to 1.1)
- b) Except as expressly provided in these Conditions the Carrier shall not be liable to the Charterer in any manner whatsoever (whether arising from the negligence of the Carrier 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 Carriers liability for death or personal injury resulting from the negligence of the Carrier its employees or agents. Carriage shall be subject to the rules and limitation relating to liability and to all other provisions established by the Warsaw Convention or by that Convention as amended by the Hague Protocol and or by any other Treaty applicable to Carriage which is not so governed shall be subject to all applicable laws which extend provisions of the Convention to such carriage or which otherwise limit the Carriers liability.

#### **1.16 WRONGFUL ACTS OF CHARTERER**

The Charterer shall indemnify the Carrier against all claims and expenses (including legal fees and costs) in respect of any liability of the Carrier to third persons (including but not limited to passengers consignors and 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 Charterer its servant or agents or any passenger carried by authority of the Charterer.

#### **1.17 TICKETS**

The Carrier shall be responsible for the issue of all necessary passenger tickets baggage checks and air way bills and the Charterer shall give to the Carrier in good time all information and assistance required to complete such documents. The Carrier shall at all times keep the Charterer indemnified against all liabilities claims costs and expenses whatsoever which result from any failure to issue a passenger ticket baggage check or air way bill. Provided however that where passenger tickets and/or baggage checks are delivered to the Charterer or its agent by the Carrier for distribution to passengers the foregoing indemnity shall not apply and the Charterer warrants and undertakes to the Carrier that it will effect delivery of the said tickets to the passengers at a reasonable time prior to the commencement of the flight Schedule and shall indemnify the Carrier against all liabilities costs and expenses which result from any failure by the Carrier to effect such delivery.

#### **1.18 LAWS AND TRAFFIC REGULATIONS**

The Charterer will comply with and take all reasonable steps to cause all passengers and owners of freight carried to observe and comply with all traffic regulations of the Carrier 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 Charterer warrants that all passengers will hold all necessary passports visas health and other certificates necessary to secure transit through any immediate points and entry into the country of destination of the flight and in the event that the appropriate immigration authorities refuse entry to any passenger

in circumstances where the Carrier 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 payable by the Charterer to the Carrier upon demand.

#### **1.19 ASSIGNMENT AND VICARIOUS PERFORMANCE**

The Charterer shall not be entitled to assign the benefit of this Agreement to any other person without the consent in writing of the Carrier but the Carrier may procure the vicarious performance of its obligations hereunder by some other person or company.

#### **1.20 NOTICES**

Any notice required to be given under this Agreement shall be given by delivering it at or by sending it by telex recorded delivery or registered post to the address of the addressee shown in the Agreement. If sent by recorded delivery or registered post it shall be deemed to have been given on the day on which it would have been received in due course of post.

#### **1.21 CHANGES IN AGREEMENT AND WAIVER**

- a) Alterations and additions to these Conditions of the Agreement will only be binding if made in writing and signed by the Carrier and the Charterer.
- b) The Charterer cannot rely on any verbal undertaking from or given in the name of the Carrier which is different from or additional to these Conditions or the terms of the Agreement.
- c) The rights of neither party shall be prejudiced or restricted by any indulgence or forbearance granted by it and no waiver if any breach shall operate as a waiver of any other or further breach.

#### **1.22 HEADINGS**

The headings in these Conditions are for convenience only and shall not affect interpretation.

#### **1.23 APPLICABLE LAW**

The Agreement and these Conditions shall be governed by and construed in accordance with UK Law.

#### **1.24 TERMINATION BY EITHER PARTY**

Subject to the provisions of clauses 1.25, 1.26 and 1.27 hereof either party may terminate the Agreement by giving written notice to the other

- a) At any time before the time specified for the commencement of the first journey set out in the Flight Schedule or,
- b) At any time if the other party commits an act of bankruptcy or becomes insolvent or enters into any arrangement or composition with its creditors or being any individual dies or being a partnership is dissolved or being a corporation passes a resolution or has a petition presented for winding up (otherwise than for the purpose of merger or re-construction only) or,
- c) In the case of the Charterer only by giving to the Carrier written notice of termination within 7 days of receipt by it of notice of increase from the Carrier.

### **1.25 TERMINATION BY CARRIER**

If the agreement is terminated by the Carrier

- a) Pursuant to clause 1.24 (a) hereof then the Charterer shall not be liable to pay the charter price and the Carrier shall be under no further obligation to the Charterer by reason of such termination or,
- b) Pursuant to clause 1.24 (b) hereof then the Charterer shall be liable to pay the appropriate cancellation charges referred to in clause 1.27 together with such portion of the charter price as shall be proportionate to that part of the Flight Schedule which has been performed and additional charges and expenses payable by the Charterer pursuant hereto and the Carrier shall be under no further or other liability to the Charterer by reason of such terminating.

### **1.26 TERMINATION BY CHARTERER**

If the Agreement is terminated by the Charterer

- a) Pursuant to clause 1.24(a) hereof then the Charterer shall be liable to pay to the Carrier the appropriate cancellation charge referred to in clause 1.27 and,
- b) Pursuant to clauses 1.24(a) and 1.24(b) hereof then the Charterer shall be liable to pay such portion of the charter price as shall be proportionate to that part of the Flight Schedule which has been performed together with any additional charges and expenses payable by the Charterer pursuant hereto,
- c) Pursuant to clause 1.24(c) hereof then the Charterer shall be liable to pay such portion of the charter price and charges and expenses as aforesaid.

### **1.27 THE CANCELLATION CHARGE**

- a) If notice of cancellation received more than 10 full working days no charge will be levied
- b) If notice of cancellation received less than 10 working days but more than 48 hours before scheduled departure time twenty per cent (20%) of the total charter price
- c) If notice of cancellation received less than 48 hours before scheduled departure time thirty percent (30%) of the total charter price
- d) If notice of cancellation received at or after scheduled departure time sixty per cent (60%) of the local charter price or such portion thereof as is proportionate to that part of the flight Schedule already performed (whichever is the greater) together in either case with any additional amounts payable by the Charterer hereunder.