

## AERSTREAM LIMITED

### STANDARD TERMS & CONDITIONS OF BUSINESS

The following standard terms and conditions of business ("Standard Terms") will apply and form part of every contract between Aerstream Limited ("Aerstream") and a client ("Client") in respect of consultancy services, technical services or any other products or services (the "Services") provided by Aerstream under any Proposal ("Proposal") issued by Aerstream to Client. A Proposal issued by Aerstream shall not constitute an offer, and is valid for a period of 30 days from its date of issue, after which period it is deemed withdrawn and not capable of agreement by Client unless Aerstream in its absolute discretion expressly agrees in writing to extend the period of its validity. The written agreement of Client to the terms of a Proposal shall be deemed an offer by Client to purchase all the Services the subject of the Proposal in accordance with these Standard Terms. A contract between Aerstream and Client for the supply of such Services (the "Contract") shall come into effect only when Aerstream confirms its acceptance of such offer in writing or upon Aerstream commencing at the request of Client to perform the Services, whichever occurs first. For clarity, in the event that there is any conflict or inconsistency between the contents (including any particular terms and conditions) of the Proposal and these Standard Terms, the Proposal shall prevail. **CLIENT'S ATTENTION IS PARTICULARLY DRAWN TO CLAUSE 9.12.**

#### 1. Duties of Aerstream

In consideration for and subject to compliance at all material times by Client with its obligations under the Contract:

- 1.1 Aerstream will provide the Services as from time to time requested by the Client and agreed by Aerstream in accordance with the Proposal.
- 1.2 Aerstream will be entitled in its discretion to sub-contract or otherwise delegate to any party any of its duties under the Proposal, but with Aerstream remaining liable to the Client in relation to such duties in accordance with the terms of the Proposal.
- 1.3 Aerstream shall have the right to make any changes to the Services which it considers are necessary to comply with any applicable law or safety requirement and/or which does not materially affect the nature or quality of the Services, and it shall notify the Client in that event.

#### 2. Duties of Client

In addition to its other obligations under the Contract, Client:

- 2.1 will promptly provide to Aerstream all information (including documents), guidance and assistance as will enable Aerstream duly to perform its duties under the Proposal and/or as Aerstream may reasonably request in connection with its duties under the Proposal.
- 2.2 acknowledges that, in relation to any technical, regulatory or other documents to which Client is to be a party and in respect of which Aerstream is providing assistance, ("Documents") the terms thereof will be subject to the final approval of Client. Aerstream will have no authority or obligation to execute any Documents on behalf of Client. Client agrees promptly to review any such Documents when requested by Aerstream to do so in order to ensure their terms are satisfactory to Client and Client shall promptly advise Aerstream of any desired changes and/or comments that Client may have on such documents prior to signature. Client's signature on Documents shall constitute a warranty to Aerstream that the contents are correct. Client further agrees that Aerstream is entitled to rely on the accuracy of information provided by Client and that Aerstream shall have no obligation or liability arising from the terms of such Documents, their submission or non-submission to the proper authorities, or otherwise whatsoever arising out of or in connection with the Documents, whether under the terms of the Proposal, the Contract and/or the performance or non-performance of its duties in connection therewith or otherwise howsoever relating thereto, whether at law or otherwise and notwithstanding any negligence on the part of Aerstream or any party for whom it is legally responsible.

#### 3. Aerstream's Fees and Expenses

- 3.1 Aerstream will be entitled at any time at its discretion to submit an invoice to Client for the rates and price(s) for the Services (or any of them) as detailed in the applicable issue of the Proposal and/or for those of its reasonable third party costs and expenses which are reimbursable by Client pursuant to the Contract.
- 3.2 In addition to Aerstream's fees, Client shall reimburse to Aerstream at cost its reasonable costs and expenses suffered or incurred and/or to be incurred in the performance of its duties under the Contract, which may include (without limitation) the cost of air and ground transportation, hotel accommodation and meals, and telecommunications charges reasonably incurred by Aerstream. Any reimbursable expense which requires conversion into pounds sterling for the purpose of inclusion in any Aerstream invoice shall be converted at the exchange rate applied by NatWest Bank Plc as prevailing on the date on which the sum in question is paid by Aerstream. The sum to be paid by Client in pounds sterling in connection with Aerstream costs and expenses incurred otherwise than in pounds sterling may include bank commission or other currency transaction charges, if any.

#### 4. Payments; Suspension

- 4.1 Except where alternative payment terms are expressly agreed in writing by Aerstream in advance of invoice, invoices issued by Aerstream to Client shall be due and payable in accordance with Aerstream's Standard Payment Terms, which are that each invoice is due within thirty (30) days after the invoice issue date.
- 4.2 Client shall pay each invoice issued to it for or in relation to the Services so that the total sum invoiced is received by Aerstream in full as cleared funds into its nominated bank account within the thirty (30) days' period of the Standard Payment Terms (or, if applicable, within such other payment period agreed by Aerstream).
- 4.3 Without prejudice to any other right or remedy that it may have, in the event that any sum is not paid to Aerstream on or by the applicable due date and/or in the event of breach on the part of Client of any other(s) of its material obligations under the Contract (including but not limited to Client's obligations under clause 2.2 and/or clause 8.2):
  - (a) Aerstream may suspend part or all of the Services until payment has been made in full and/or Client's other material obligations have been complied with, as applicable;
  - (b) Client will pay to Aerstream the cost to it of recovering overdue amounts, including the cost to Aerstream of third party services including debt collection and recovery services, solicitors' fees and expenses and consequential losses that Aerstream suffers or incurs as a result of the late payment and which were not avoidable by Aerstream (acting reasonably); and
  - (c) interest will accrue on a daily basis on the whole overdue amount from the due date to the date of payment in full (the "overdue period") at the same rate as is applicable during the overdue period pursuant to Regulations issued from time to time under The Late Payment of Commercial Debts (Interest) Act 1998. All such interest will be compounded monthly and calculated on the basis of the actual number of days elapsed and a 360 day year.

- 4.4 All payments by Client in relation to the Services shall be made in full in United Kingdom Pounds to the account number 42502950 of Aerstream Limited at National Westminster Bank Plc, 15 London Road, East Grinstead, West Sussex, RH19 1GP, U.K., Sort Code 60-07-17, without any set-off or counterclaim whatsoever and free and clear of any deductions or withholdings, whether on account of taxes or otherwise.
- 4.5 Aerstream's right to payment of the sums accrued due in relation to the Services will survive expiry or termination for any reason of the Contract or the appointment to provide services under the Proposal.

## **5. Taxes**

- 5.1 All sums payable to Aerstream in relation to the Proposal are exclusive of any and all taxes in any jurisdiction, which may be chargeable in relation to the Services supplied or applicable to any sum payable under the Contract, including without limitation any Value Added Tax or similar tax on sales or supplies, all of which taxes will be payable by Client in addition to Aerstream's fees and expenses.

## **6. Termination**

- 6.1 In the event that either party is in breach of any material provision relating to the Proposal (including but not limited to any provision requiring a payment to be made to Aerstream) and such breach is not remedied within seven (7) days of notice to do so from the other, such other may, without prejudice to its other rights and remedies by reason of such breach and any accrued rights of the parties hereunder, terminate the appointment of Aerstream to provide Services under the Proposal by notice in writing having immediate effect to the party in breach. Any such termination of the Contract will be without prejudice to all the other rights and benefits of each party in relation to the Contract and the Proposal and to any and all sums payable to it in relation to the Proposal, all of which will survive such termination and continue in full force and effect until satisfied in full.
- 6.2 Termination of the Contract or the Proposal by Client otherwise than in circumstances of breach by Aerstream pursuant to clause 6.1 and without providing to Aerstream at least fourteen (14) days' notice in writing prior to the first scheduled date for commencement of the Services shall incur a termination fee equal to fifty per cent. (50%) of the fees set out in the applicable version of the Proposal, plus all those third party costs and expenses suffered or incurred by Aerstream, whether or not payable by it before or after the effective date of termination of the Contract, which were not avoidable by Aerstream (acting reasonably).

## **7. Notices**

- 7.1 Except as specified in clause 7.3, all notices, requests, demands, consents and other communications required or permitted to be given or made to either party shall be in writing (and references in these Standard Terms to "writing" and "written" shall be deemed to include facsimile, e-mail or similar instrument of writing). Client hereby consents to communications by e-mail to an address provided by it.
- 7.2 Notice shall be deemed given, in the case of a facsimile, at the time of receipt by the sender of a transmission report indicating that all the pages of the transmission were properly transmitted (unless the recipient promptly notifies the sender that the transmission was incomplete and/or illegible) to such party's facsimile number specified in the Proposal and in the case of communication by e-mail, at the time of transmission provided no notice of non-delivery is received by the sender, and in any other case, when delivered to Client at its address as specified in the Proposal, or if to Aerstream, to its address as specified in the Proposal, marked for the attention of the Operations Director, or to such other address or facsimile number as shall have been notified by one party to the other under the Proposal and in accordance with this clause 7.
- 7.3 Clauses 7.1 and 7.2 shall not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

## **8. Governing Law and Jurisdiction; Agent for Service**

- 8.1 The Proposal and the Contract including these Standard Terms and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with English law. Each party irrevocably agrees, for the sole benefit of Aerstream, that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Proposal or the Contract or its subject matter or formation. Client therefore irrevocably waives any objection which it may at any time have to the laying of any Proceedings in the English courts and/or to any claim that any such Proceedings shall have been brought in an inconvenient forum and further irrevocably agrees that a judgement in any Proceedings brought in the English courts shall be conclusive and binding upon Client and may be enforced in the courts of any jurisdiction.
- 8.2 Nothing in this clause 8 shall limit the right of Aerstream to take proceedings against Client in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.
- 8.3 If Client is not a company incorporated in England and Wales or other legal entity in England and Wales, the Client shall provide to Aerstream, forthwith upon request, details of the party in England and Wales that Client irrevocably designates, appoints and empowers to receive for it and on its behalf service of process issued in any legal action, suit or proceeding (collectively, "Proceedings") arising out of or in connection with the Proposal and/or the Contract including these Standard Terms.
- 8.4 The parties hereby consent generally in respect of any Proceedings arising out of and in connection with the Proposal, the Contract including these Standard Terms to the giving of any relief or the issue of any process in connection with such proceedings, including, without limitation, the making, enforcement or execution against any property or assets whatsoever of any order or judgement which may be made or given in such Proceedings.

## **9. Miscellaneous**

- 9.1 Nothing in the Proposal or these Standard Terms is to be construed as creating any partnership or joint venture or other similar relationship between the parties.
- 9.2 Aerstream shall use reasonable endeavours to meet performance dates requested by Client but any such dates shall be estimates only and time for performance by Aerstream shall not be of the essence of the Contract. Neither party will have any obligation or liability to the other under the Proposal or the Contract including these Standard Terms in respect of any delay in performing or failure to perform any of its obligations under the Proposal or these Standard Terms due to any cause or circumstance beyond its reasonable control.

- 9.3 Neither party hereto shall without the other's prior written consent, communicate or disclose the existence or contents of the Proposal, or any information, data, reports or evaluations produced or provided in connection therewith, to any third party (other than to their respective external legal advisors, auditors or insurance brokers) provided however that disclosure will be permitted (a) pursuant to an order of any court of competent jurisdiction or (b) pursuant to any law or regulation having the force of law or (c) pursuant to a lawful requirement of any authority with whose requirements the disclosing party is legally obliged to comply.
- 9.4 The terms and conditions of the Proposal and the Contract including these Standard Terms supersede those of all previous agreements, understandings and arrangements, whether written or oral, between the parties hereto relating to the subject matter hereof and shall not be varied otherwise than by an instrument in writing of the same date as, or subsequent to the Proposal, executed by both parties or by their duly authorised representatives.
- 9.5 In the event that the validity period of a Proposal expires without that Proposal being agreed by Client, Aerstream may at Client's request issue a substitute Proposal and in the event that it does so, any earlier Proposal is deemed superseded and references herein to "Proposal" shall be deemed references to the later-dated, substitute Proposal.
- 9.6 No failure or delay on the part of either party in exercising any power, right or remedy under the Proposal or these Standard Terms shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise of any such right, power or remedy or the exercise of any other right, power or remedy. The rights and remedies provided in the Proposal and these Standard Terms are cumulative and not exclusive of any other rights or remedies provided by law.
- 9.7 If any term or condition of the Proposal or these Standard Terms shall to any extent be or become invalid or unenforceable the remainder of these Standard Terms shall not be affected thereby and each other term and condition shall be valid and enforceable to the fullest extent permitted by law.
- 9.8 Client may not assign any of its rights and/or obligations under the Proposal and the Contract including these Standard Terms without the express prior written consent of Aerstream. Aerstream may assign its rights (or any of them) or obligations to an Affiliate (which for the purposes of these Standard Terms shall mean any company which (a) is a holding company of any tier of Aerstream or (b) another company having a holding company (of any tier) in common with Aerstream.
- 9.9 Without prejudice to and except for Aerstream's right to receive due payment of all sums specified to be payable to it in accordance with the Proposal and the Contract including these Standard Terms, neither party will have any obligation to the other in respect of any loss of use, loss of revenue or profit or of any indirect or consequential losses or damages.
- 9.10 Time shall be of the essence in respect of all payments due under the Proposal and the Contract including these Standard Terms.
- 9.11 Each of the parties hereto agrees with the other to do and perform such other and further acts and execute and deliver any and all other instruments as may be required by law or reasonably required by the other party to establish, maintain and protect the rights and remedies of that party and to carry out and effect the intent and purpose of the Proposal and these Standard Terms.
- 9.12 Aerstream, its Affiliates and its and their respective employees, directors and agents (collectively "Indemnitees" and "Indemnitee" shall be construed accordingly) shall have no liability for, and Client will indemnify and hold harmless the Indemnitees and each of them from and against, any and all losses, claims, demands, liability, suits, penalties, costs and expenses (on a full indemnity basis) whatsoever ("Losses"), however arising, (whether in contract, tort or otherwise), in respect of death of or injury to any person, or loss of or damage to any property (including, without limitation, aircraft and/or any other property of Client or any third party), arising out of or in respect of the Services, including in the event of negligence or breach of duty on the part of Aerstream or any party for whom it is legally responsible, **except** only if and to the extent that such Losses are: (a) directly attributable to the Wilful Misconduct of an Indemnitee or, (b) solely and exclusively in the case of death or personal injury, directly attributable to the negligence of an Indemnitee or to any other matter for which it is not legally permissible for Aerstream to exclude liability; and in either such case the foregoing indemnity shall not benefit that Indemnitee but the remaining Indemnitees shall continue to have the benefit of the indemnity. However, even in the event that an exception to the foregoing indemnity applies, Client agrees that Aerstream will have no liability under any circumstances, and Client will indemnify and hold harmless the Indemnitees and each of them from and against, any and all indirect Losses such as loss of use, loss of revenue or profit, loss of opportunity or goodwill, or any other indirect or consequential losses or damages of any kind suffered or incurred by Client in relation to its or any third party aircraft, and/or by the employees, agents or subcontractors of Client. Client will ensure that Aerstream shall be held harmless under Client's and/or other applicable insurance and shall ensure that its insurance includes a waiver of subrogation in favour of Aerstream consistent with the terms of this clause 9.12. For the purposes of this clause 9.12, "Wilful Misconduct" on the part of Aerstream shall mean an intention on the part of Aerstream or a party for whom it is legally responsible to do something which the party concerned knows to be wrong.
- 9.13 Aerstream shall promptly notify Client in writing if it receives actual notice of any claim or alleged claim against Aerstream or any other indemnity which might result in any claim by Aerstream on the indemnity by Client contained in clause 9.12 and, subject to the obligations placed on Aerstream or Client under any relevant insurances and the terms thereof, Aerstream may require Client to conduct the defence of such claim on its behalf, in which case:
- (a) provided and to the extent that Aerstream is relieved from liability and fully and effectively indemnified, Aerstream will assign to Client the full benefit of all claims for compensation or otherwise which Aerstream may have against any third party (other than insurers) arising as a result of the subject claim; and
  - (b) Aerstream will not make any admission of liability or otherwise or enter into any correspondence with any third party which might prejudice any defence available in respect of such claim.
- 9.14 Except as expressly provided in clause 9.12, a person who is not a party to the Contract shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Contract. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act. The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under the Contract are not subject to the consent of any other person.

**Aerstream Limited**