

**AGREEMENT OF AIRCRAFT CHARTER**  
**("AGREEMENT")**

**TERMS AND CONDITIONS**

**Live Animals**

- 1 Prior to the commencement of the charter flight, Charterer will furnish Contractor/Carrier with a declaration setting forth the complete description, value (if any declared) and weight of all cargo to be transported on the chartered flight.
- 2 We need all sanitary Certificates, Animal weights, and stall dimension 48 prior to flight.
- 3 Stalls/Penning System (provided by Charterer) must meet all international Standard for safety and proper accommodations for the wellbeing of the animals as per IATA
- 4 Animals must have sufficient water and food during the flight. Animals will be kept at room temperature.
- 5 **Contractor/Carrier is not held responsible for the death, injury, escape of any animal in the warehouse/ramp/aircraft at origin or destination.**
- 6 Animal must be in export warehouse ready 2-3 hours prior to flight with all paperwork ready to fly. Any delay will be considered demurrage and penalty will be indicated in the contract all live animal charter is prepaid. 12 to 24 hours delay may occur due to weather and unforeseen events but will be notified within a reasonable time.

**Cargo**

- 6.1 An Air Waybill must be tendered with the cargo, as follows:
  - 6.1.1 The Charterer or its agent shall make out an Air Waybill(s) of each shipment in form, manner and number of copies required by applicable laws, rules and regulations and deliver such Air Waybill to Contractor/Carrier at the time the Charterer or its agent tenders the shipment for carriage to Contractor/Carrier. Contractor/Carrier may require the Charterer or its agent to make out separate Air Waybills if more than one package is in a shipment, or when all of the shipment cannot be carried in one Aircraft or applicable regulations require separate Air Waybills.
  - 6.1.2 Any conflict between the terms of the Air Waybill(s) or this Agreement shall be determined by the terms stated herein.
- 6.2 Charterer shall properly pack and label the cargo to adequately protect it against damage. Contractor/Carrier retains the right to refuse carriage of cargo that is: (a) improperly packed; (b) not suitable for carriage on aircraft; or (c) cannot be transported in accordance with the provisions herein and laws and government or other rules and regulations. Such right on the part of Contractor/Carrier shall not relieve Charterer of responsibility for proper preparation, protection, packing and marking of the cargo nor relieve Charterer of any liability for loss or damage resulting from Charterer's breach of such responsibility. Contractor/Carrier reserves the absolute right to take whatever steps it deems necessary in its sole discretion to assure the compliance of any item of cargo with the afore stated conditions. Contractor/Carrier retains the right to refuse carriage of cargo for which Contractor/Carrier is prohibited from obtaining such assurance.
- 6.3 Charterer shall ensure that the Capacity used will be utilized for the carriage of cargo and mail only and shall not be used for illegal Air Transport or Air Transport of munitions of war or contraband. Charterer shall also ensure that all cargo and documentation tendered is in strict observance of IATA Manuals and ICAO regulations regarding the carriage of perishable, dangerous and hazardous goods by air.
- 6.4 Cargo delivered for transportation which Contractor/Carrier, for any reason stated in paragraph 1.3 or 1.4, above refuses for such transportation, shall be returned to Charterer or his agent at the airport of origin at Charterer's expense. Contractor/Carrier is not responsible for any cargo that cannot be reasonably loaded within the cube capacity or exceeds the operational weight limitation of the aircraft.
- 6.5 Cargo accepted by Contractor/Carrier at Charterer's Load and Count (CLC) will release Contractor/Carrier from liability for any loss or damage resulting from an incorrect CLC.
- 6.6 Charterer shall provide, at its expense, suitable skids or bases to reduce the floor bearing weight of individual pieces to the aircraft capability or less. Such skids or bases shall be included in the gross weight of the piece.
- 6.7 In case of mechanical difficulties, damage to aircraft, adverse weather conditions, or other circumstances which, in the opinion of Contractor/Carrier requires such action, the charter flight may be canceled or delayed at the point of origin or any other point, or any point may be omitted. In such event, Contractor/Carrier may take whatever reasonable steps it deems necessary for the protection of itself, other parties, and the cargo including sending collect communications for instructions on the disposal of perishable cargo without instructions. In the event of the cessation or delay of the flight for any of the above reasons, the Charterer agrees Contractor/Carrier will be entitled to the amount as stated in the contract, or a prorated share thereof, in accordance with services performed. Charterer shall be responsible for the reasonable cost of providing alternate carriage to destination, or the agreed upon rates, whichever is greater.

- 6.8 Contractor/Carrier is able, but not obligated, to comply with the formalities required by customs, revenue, fiscal, police and other administrative authorities at place of destination or elsewhere, and to advance any duties, taxes and other charges, and to make any disbursement with respect to the cargo, on behalf of the Charterer, and Charterer shall be liable for payment thereof. Contractor/Carrier may also entrust completion of these formalities to an agent. The Contractor/Carrier shall not be considered an agent of the Charterer for any purpose whatsoever.
- 6.9 Charterer shall be liable for payment and indemnification of Contractor/Carrier for all unpaid charges, advances and disbursements of Contractor/Carrier and all costs, expenditures, liens, penalties, fines, losses of time, damages and other sums which Contractor/Carrier may incur, suffer or be liable for by reason of articles included in the shipment which are prohibited by law or illegal, or which are insufficiently marked, numbered, addressed, packed and described or for the absence or incorrectness of any export or import license, or any required certificate or document, or for any incorrect Customs valuation or statement of weight or volume.

## **7 GENERAL CONDITIONS OF CARRIAGE**

- 7.1 It is agreed that no time is fixed for completion of carriage hereunder and that Contractor/Carrier may without notice substitute alternative Contractor/Carriers or aircraft provided, however, that such alternative Contractor/Carrier or aircraft has substantially similar capabilities with respect to speed and load capacity as that contemplated originally under this agreement. Contractor/Carrier is authorized to select, or deviate from the route notwithstanding the same may be stated on the face hereof. Contractor/Carrier does not undertake to commence or complete transportation or effect delivery of cargo within any particular time. No employee, agent or representative of Contractor/Carrier is authorized to bind the Contractor/Carrier by any statements or representations of the dates or times of departure, arrival or duration of any flight.
- 7.2 Contractor/Carrier shall have exclusive control over chartered aircraft and crews. All persons and cargo aboard aircraft shall be subject to the authority of the Captain in charge and shall comply with all rules and regulations of Contractor/Carrier including, but not limited to, DOT authority, FAA authority, domestic route authority, and traffic rights.
- 7.3 It is understood and agreed by the parties that Contractor/Carrier retains the right to utilize the payload on any positioning and de-positioning flight and any available payload not utilized by Charterer for other cargo and that the revenue from such cargo will be retained by Contractor/Carrier and will not reduce or offset the charges to Charterer set forth on the face hereof.

## **8 DEMURRAGE**

- 8.1 Unless otherwise stated on the face hereof, Contractor/Carrier will allow, without additional charge, a maximum of 3 hours layover at point of origin, destination, and during traffic stops for loading and unloading, customs clearance and similar matters without additional charge. Layovers in excess of these maximums (unless specified by Contractor/Carrier in this Agreement) shall be charged to Charterer or its agents at the demurrage rates set forth on the face of this contract. These delays shall include, but are not limited to unavailability of cargo for loading at time specified, inadequate or unacceptable packaging of cargo for transportation, delay in receipt of operational permits when responsibility of Charterer or its agents delayed, inadequate or unacceptable customs documentation and other paperwork, delay in customs clearance for any reasons; loading and unloading when the responsibility of Charterer or its agents etc., and any consequential delays resulting thereof.

## **9 CANCELLATIONS**

- 9.1 This contract may be canceled by either party if: (a) the other party commits any material breach of this contract; (b) if the other party becomes bankrupt (or goes into liquidation), commits any act of bankruptcy, or enters into an arrangement with its creditors; or (c) if it is determined that the proposed operation would be in violation of any applicable law, rule, regulation and/or stipulation of any government or tariff.
- 9.2 If Charterer fails to notify Contractor/Carrier of cancellation or fails to tender cargo at the point of departure within three (3) hours of the agreed time. Contractor/Carrier may treat such failure as a cancellation of the flight by Charterer.
- 9.3 In the event this contract is cancelled by Charterer prior to the date of operation, the following amount shall be received and retained by Contractor/Carrier as liquidated damages:
- a) Twenty-five percent (25%) of the Charter Price if the Agreement is cancelled (15) days prior to the scheduled operation of the Charter.
  - b) Fifty percent (50%) of the Charter Price if the Agreement is cancelled four (4) or more days prior to the scheduled operation of the Charter.
  
  - c) Seventy-five percent (75%) of the Charter Price if the Agreement is cancelled three (3) or more days prior to the scheduled operation of the Charter.
  - d) One hundred percent (100%) of the Charter Price if the Agreement is cancelled within forty eight (48) hours prior to the scheduled operation of the Charter.

## **10 CHARGES AND PAYMENT**

- 10.1 Unless otherwise agreed on the face of this contract, full payment is due upon receipt of invoice. Any charge which cannot be determined prior to the flight will be paid by Charterer promptly upon receipt of an invoice.
- 10.2 All expense for fuel, oil, crew salary and crew expense, landing and handling fees for the aircraft will be included. Other costs including but not limited to: freight surface transportation, tax or any other foreign tax or levies, non-objection fees, duties, royalties and similar charges and the cost of special or accessorial services (such as storage, service, transportation, dunnage, bracing or related services) requested by Charterer or necessary for protection of the cargo and the parties, will be for the account of Charterer.
- 10.3 Contractor/Carrier is not responsible for the arrangement of or cost of loading or unloading of the any trucks, nor for warehousing or palletizing the cargo unless it is expressly stated on the face hereof. Unless expressly provided on the face hereof, any load/unload charges contained in the total price includes only normal manpower and equipment for such service but excludes special expense items such as cargo skidding, shoring, dunnage, protective coverings and special handling equipment such as cranes, heavy-duty forklifts 25,000 pounds or over, horizontal jibs, flatbed trucks, etc. Any such special expense items shall be furnished by Charterer.
- 10.4 Charterer shall be liable for the payment of all sums due and payable to Contractor/Carrier on account of this shipment whether said shipment moves prepaid or collect. In the event of non-payment, Contractor/Carrier shall have a lien on the cargo for all sums due and payable to it, and shall have the right to dispose of the cargo, or any part thereof, at public or private sale, with notice, as provided by a applicable law and shall have the right to pay itself first the sale and the balance on the amount due Contractor/Carrier. No sale made pursuant to this paragraph shall discharge liability to a greater extent than the proceeds thereof, less selling expense.

## **11 LIABILITY AND INDEMNIFICATION AND INSURANCES**

- 11.1 "International Carriage" performed hereunder, is subject to the rules relating to liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air signed at Warsaw on October 12, 1929 (hereinafter called the "Convention"), or the said Convention as amended by the Protocol signed at The Hague, September 28, 1955 and The Montreal Protocol no. 1, 2, or 4 (1975). As case may be. Montreal Convention means the convention for the unification of certain rules for international carriage by air, done at Montreal on May 28, 1999. Any contrary term or provision contained herein is hereby superseded and replaced by the applicable Convention rule relating to liability in such cases. The Convention governs and limits the liability of the Contractor/Carrier with respect to loss of or damage to cargo and for death to or injury of passengers (couriers) in "International Carriage".
- 11.2 Charterer may declare a value for a shipment in excess of 19 Special Drawing Rights (SDR) per kilogram. Such declaration must be reflected on the airway bill in the space provided. Charterer shall pay an additional charge of US\$0.60 for each \$100.00 or fraction thereof, by which the value so declared exceeds the 17 Special Drawing Rights (SDR) per kilogram. In such event, Contractor/Carrier's liability for delay, loss, damage or destruction shall not exceed the lesser of the declared value (proportioned, on a poundage basis) or actual value.
- 11.3 In consideration of Contractor/Carrier's rate for the transportation of any cargo which rate in part, is dependent upon the value of the cargo, Charterer and all other parties having an interest in the cargo agree and stipulate that unless a higher value is declared and an additional fee paid as provided in paragraph 6.2 the value of the cargo does not exceed 17 Special Drawing Rights (SDR) per kilogram and that Contractor/Carrier's liability for delay, loss, damage or destruction of the cargo shall not exceed the lesser of US\$17 Special Drawing Rights (SDR) per kilogram of the actual value.
- 11.4 Contractor/Carrier is not liable to Charterer or to any persons for any damage, delay or loss of cargo or any death or injury to passengers of whatsoever nature (hereinafter collectively referred to as "damage") arising out of or in connection with the carriage of the cargo or transportation of passengers unless such damage is proved to have been caused by the gross negligence or willful misconduct of Contractor/Carrier and there has been no contributory negligence of Charterer, consignee, or other claimant.
- 11.5 Contractor/Carrier shall not be liable, notwithstanding negligence on its part or on the part of its agents and employees, for any amount in excess of the declared value of the cargo as provided in paragraph 6.2 herein or the actual value of the cargo, whichever is less. In case of loss, destruction or damage of part of the cargo, Contractor/Carrier shall not be liable for more than that portion of the declared value or actual value, if less than declared value computed on a prorate basis.
- 11.6 In addition to paragraph 6.4, Contractor/Carrier shall not be liable for any "damage" or other result caused by: (a) the act or default of Charterer; (b) violation of the rules set forth in this Charter Agreement, including but not limited to, improper or insufficient packing, securing, marking or addressing and failure to observe other rules relating to proper shipment; (c) nature of the cargo or defect or inherent vice thereof; (d) acts of God, perils of the air, public enemies, sabotage, hijacking, acts of public authorities, quarantines, riots, strikes, civil commotion, mechanical difficulties, labor disputes, weather conditions or war; (e) acts or omissions of public warehousemen, Customs or quarantine officials, or any other person other than Contractor/Carrier or its agent; (f) compliance with delivery instructions of Charterer; (g) differences in weight or quantity caused by shrinkage, leakage or evaporation; (h) the death, injury, or escape of live cargo; (i) the loss of money, bullion, bonds, coupons, jewelry, precious stones, valuable papers or other matter of extraordinary value unless such articles are enumerated herein and declared at their true value and appropriate fee paid; and (j) the spoilage or deterioration of perishable shipments.

- 11.7 Parties shall not claim from each other compensation for loss of use of Aircraft or other consequential damage, caused by or in connection with loss or damage to the Aircraft or cargo or the non-performance, delay or negligent performance of services hereunder, unless caused by the gross negligence or willful misconduct of the other party.
- 11.8 Each party shall arrange that its insurers will waive any rights of recourse against the other party, its employees, agents or sub-Contractor/Carriers.
- 11.9 Contractor/Carrier will not be liable for any loss, damage, or expense arising from death due to natural causes, or death or injury of any animal caused by the conduct of acts of the animal itself or of other animal such as biting, kicking, goring, or smothering. Not for that caused or contributed to be the condition, nature or propensities of that animal or by defective packing of the animal, or by the inability of the animal to withstand unavoidable changes in its physical environment inherent in the carriage by air, or by other means of transportation.
- 11.10 Contractor/Carrier shall in no event, be liable for any consequential or special damages, including loss of market, arising from transportation pursuant to the terms of this contract, whether or not Contractor/Carrier had knowledge that such consequential or special damages might be incurred.

## **12 CLAIMS**

- 12.1 No action shall be maintained unless a written notice, describing the goods concerned, the approximate date of the damage, and the details of the claim, is presented to an office of Contractor/Carrier. In the case of damage to cargo seven (7) days from the date of receipt thereof in the case of delay of goods within fourteen (14) days from the date the goods are placed at the disposal of the person entitled to delivery; and in the case of loss (including non-delivery of cargo) within forty-five (45) days from the date of shipment. Any right to damages against Contractor/Carrier shall be waived unless an action is brought within two years after the occurrence of the events giving rise to the claim.

## **13 COURIERS**

- 13.1 Couriers designated by Charterer will be permitted to accompany cargo on flights in accordance with Federal Aviation Administration's regulations without additional charges when necessary for protection of cargo or aircraft. Contractor/Carrier will refuse passage to any person whose condition in the judgment of the Contractor/Carrier will involve hazard or risk to himself or other persons or cargo, or who is not in possession of proper identification, visa or passport.
- 13.2 As between Contractor/Carrier and Charterer, Contractor/Carrier's liability for the carriage of couriers is limited to direct damage occasioned by its gross negligence and Contractor/Carrier shall not be liable for special or consequential damages including, but not limited to loss of services.
- 13.3 The Warsaw Convention limits Contractor/Carrier's liability for death or injury to couriers in international transportation. Couriers must obtain permission from Contractor/Carrier for such travel prior to boarding.

## **14 FORCE MAJEURE**

- 14.1 The furnishing of any transportation pursuant to this agreement is subject to and Contractor/Carrier shall not be liable for loss, injury, damage, delay, or other results caused by government requirements, mechanical difficulties, riots, wars, civil commotion, strikes, labor disputes, weather conditions, hijacking, sabotage, acts of God, public enemies, quarantine, the absence of any other cause whether of the same or different nature beyond Contractor/Carrier's control.

## **15 MISCELLANEOUS**

- 15.1 This contract shall be deemed and understood to constitute the full and complete agreement and all of the understandings, representations, and warranties expressed or implied between the parties hereto, and no agent of Contractor/Carrier or any other person is authorized to bind Contractor/Carrier by any agreement, warranty, representation, promise or understanding not herein expressed and no modification of this agreement shall be binding unless the same is in writing and executed by the parties hereto. No implied warranty shall be included or construed from any of the terms or provisions hereof and any and all implied warranties are hereby expressly excluded from the provisions hereof.
- 15.2 This agreement shall be governed by and construed according to the laws of the State of Florida, USA without regard to conflict of law provisions. The parties expressly agree that any legal action arising from or concerning this contract shall be brought in a court of competent jurisdiction within the County of Miami-Dade, State of Florida.

## **16 SECURITY REQUIREMENTS**

- 16.1 The Charterer acknowledges and agrees that it will comply with the Transportation Security Administration's security requirements as set forth in the Full All Cargo Aircraft Carrier Standard Security Program (FACAOSPP). This includes but is not limited to the following requirements:
- 16.1.1 Provide security for cargo at all build up and consolidation sites after receipt of the cargo by the Charterer or its authorized representatives.
- 16.1.2 Limit access to facilities where cargo is being stored, built up or consolidated to authorized individuals only.

- 16.1.3 Provide that all individuals with unescorted access to cargo in Charterer's, or its authorized representative's facilities in the United States, must be either SIDA badged or have completed a Security Threat Assessment through the TSA. This includes truck drivers who move cargo from your or your authorized representative's off airport facilities to the SIDA area.
- 16.1.4 Exempt, pursuant to Chapter 5.3 of the FACA OSSP or IAC TSA Regulated Sensitive Security Program, all cargo that is not screened (Specifics will be provided upon request in a controlled Sensitive Security Information document).
- 16.1.5 Maintain a TSA approved screening log (supplied by Carrier) for thirty (30) days.
- 16.1.6 Require all Domestic IAC's (Indirect Air Carriers) and Internationally regulated freight forwarders and consolidators, from whom you receive cargo, to provide certification (form supplied by Carrier) that they are in full compliance and have provided to you cargo that has either been screened, banded, or otherwise exempt or that the cargo being provided requires screening.
- 16.1.7 The Charterer, or its authorized representative, is required to maintain this record for thirty (30) days.
- 16.1.8 The Charterer shall refuse to accept cargo in the United States from a non-regulated freight forwarder.

## Annex A The Schedule

1. Routing: PTY-CCS
2. Period of Operation: (Subject to permits)
3. Cargo Description: Medical Equipment
4. Shipper:                      Consignee:
5. AWB:
  
6. Charter Price: **\$XX,000.00 Net/Net**
7. The Costs included or excluded in this contract are outlined below.

### 5.1 Operational Expenses

Expense	Origin	Destination
Aircraft	x	x
Crew	x	x
Maintenance	x	x
Insurance	x	x
Fuel	x	x
Permits	x	x
Overfly/Navigational Fees	x	x
Landing	x	x
Parking	x	x
Catering	x	x
Crew Transport	x	x
Loading and Unloading from Aircraft	x	x
Aircraft Cleaning	x	x
Aircraft Handling	x	x
Ramp Handling	x	x
Pallet Build		
Pallet Break		
Royalties		
De-Icing		
Truck transportation		
Truck Offloading		
Security Charges/X-Rays		
Surface Transport		
Customs Fees		
FET		
War Risk Insurance		
Warehousing		
Special Cargo Handling (i.e. cranes, flatbed trucks, shoring, dunnage, stalls, penning systems, etc.)		
Domestic Taxes		
Cargo Documentation		
Customs/Agricultural clearances		
Return of Pallets and Nets to Airline within twenty four (24) Hours		

Contractor/Carrier may give notice of any proven cost increase for the service to the agreed price under section 5.1 (Charter price) due to any regulatory requirements that are applied during the Term of Contract. Notice of such increase to be given in writing seven (7) days prior to implementation of such increase with agreement of Charterer, which shall not unreasonably be withheld.

8. Chartered Capacity: The aircraft is planned to operate on a route that provides an approximate gross payload of 24,000 kgs includes pallets. This payload is based on normal operating conditions regarding runway selection, prevailing runways, and runway performance (including alternate and/or re-clearance airports). Carrier Flight Operations Department will determine final payloads at flight time based on preliminary take off data.
  
9. The Charterer shall ensure all contracting with their handling agents:
  - 7.1 The Charterer shall ensure the control, inspection, security and build of pallets in accordance with the Federal Aviation Administration (FAA) and Transportation Security Administration (TSA) standards as detailed in Carrier's manual. Lost or stolen pallets or nets will be recharged at replacement cost to the Charterer.

9.2 The Charterer shall ensure the security of the aircraft and crew whilst on the ground meets at least the level recommended by ICAO Annex 17 and Carrier's Security Manual requirements.