

LaudaMotion

**GENERAL TERMS AND CONDITIONS
OF BUSINESS (GTCB)
VERSION 01-2007
OF
LAUDAMOTION GMBH**

1. LEGAL REGULATIONS AND TERMS

- 1.1 The following General Terms and Conditions of Business (GTCB) and all relevant legal regulations shall apply to all flights carried out by LaudaMotion. In addition to these GTCB, the stipulations of the Austrian Civil Aviation Act and EU Council directive 2027/97 as amended shall apply to all domestic flights.
- 1.2 The applicable legal regulations include the following agreements, laws, and regulations (as amended): the convention for the unification of certain rules relating to international carriage by air (Montreal Agreement), signed in Montreal on 28 May 1999; the convention on the unification of transport rules relating to international carriage by air (Warsaw Agreement), signed in Warsaw on 12 October 1929; the Warsaw Agreement, as amended by the Hague Protocol signed on 28 September 1955; the Warsaw Agreement, as amended by the Hague Protocol and the additional protocols of Montreal (1975); the additional convention of Guadalajara (1961); the Austrian Civil Aviation Act; EU Council directive 2027/97.
- 1.3 LaudaMotion's GTCB shall take priority in the event of contradictory general terms and conditions of business, or contradictions with LaudaMotion's GTCB. No verbal or collateral agreements shall be applicable, and shall neither restrict nor invalidate these GTCB.

Any amendments shall only be valid if confirmed in writing by LaudaMotion.

- 1.4 "Flight contract" is any contract concluded between LaudaMotion and the customer for the purpose of carrying out a flight. "Force majeure" are unforeseeable and unavoidable events over which LaudaMotion has no influence (e.g. weather conditions, natural disasters, riots, wars, strikes, etc.). "Passenger" is any person except flight staff who is transported on the basis of a flight contract concluded between LaudaMotion and the customer. "Ticket" is any voucher entitling the passenger to embark on a flight. "Customer" is any contracting party who commissions LaudaMotion to carry out a flight.

2. AIR TRANSPORT

When a flight contract is concluded, LaudaMotion shall be obliged to provide the flight requested with a properly equipped and fueled standard aircraft with crew, from the agreed point of departure to the agreed destination at the agreed time. Any services over and above this must be agreed separately in writing.

LaudaMotion shall be entitled at any time to replace the aircraft by one or more other aircraft suitable for the agreed flight.

LaudaMotion shall be entitled to change or cancel the flight at any time for considerations of safety or for technical reasons. Only LaudaMotion shall be entitled to decide such matters without consulting other persons and without any claims being made on LaudaMotion as a result. Any additional costs incurred for such

reasons must be reimbursed by the customer.

3. FLIGHT SCHEDULE

The times specified in the agreed flight schedule and transport documents shall be liable to change.

It goes without saying that LaudaMotion shall respect the flight schedule and these times, but shall be entitled to change the flight schedule and these times for vital reasons, and in particular for technical and safety reasons. Any additional costs arising as a result shall be borne by the customer. If such alterations are made at the request of the customer, all additional costs shall be borne by the latter and the price of the flight shall be recalculated.

Should there be any delays for which LaudaMotion is responsible, LaudaMotion shall be entitled to decide whether the passengers will be conveyed by another means of transport, or whether they will be accommodated in hotels selected by LaudaMotion until such time as the flight can be carried out. As far as the transport of freight is concerned, LaudaMotion shall be entitled to decide whether to store the goods until the flight is carried out, or whether to find an alternative means of transport. LaudaMotion shall only be liable for any additional costs thus incurred if LaudaMotion has acted willfully or with gross negligence.

Should there be any delays for which the customer is responsible, in particular if the passengers do not arrive at the airport punctually or at all, or the luggage or freight does not arrive in time for loading,

LaudaMotion shall be entitled to cancel the flight without any infringement of its rights. In particular, LaudaMotion shall not be obliged to provide a later flight.

The customer shall be obliged to reimburse LaudaMotion for any additional costs incurred as a result of such cancellation or delay.

Should it be partly or completely impossible to carry out a flight for reasons beyond the control of either LaudaMotion or the customer, or if it should be delayed by more than 24 hours, LaudaMotion shall be obliged only to refund a proportion of the price of the flight equivalent to the uncompleted part of the flight, to the exclusion of all other claims.

If the flight also includes a return flight, regardless of the problems encountered on the outward flight, LaudaMotion shall at all events be obliged to carry out the return flight provided the passengers have reached their destination and LaudaMotion is able to carry out the return flight on schedule.

4. FLIGHT PRICE

The flight price shall apply only to the agreed flight from the point of departure to the destination and shall include only:

- a.) expenses for operating and maintaining the aircraft;
- b.) reimbursement for the crew of the aircraft;
- c.) insurance premiums;
- d.) landing, parking and hangarage fees as well as ground crew and other airport fees for the aircraft (with the exception of deicing charges).

- e.) airport taxes for passengers unless these are paid by the passengers directly;
- f.) checking-in of passengers, their luggage or freight;
- g.) standard catering during the flight in accordance with the arrangements made by LaudaMotion;
- h.) international route charges;

In particular, the flight price does not include:

- a.) the cost of transporting passengers to and from the airport and between airports and terminals;
- b.) the cost of customers inspections, customs duties and other charges payable that do not include the charges mentioned above;
- c.) further expenses resulting from alterations to the provisions of the flight contract requested by the customer or as a consequence of changes made by the customer;
- d.) license fees;
- e.) additional costs due to any extension of the flying time by more than 15 minutes compared to flying time specified in the quotation, or caused by bad weather conditions, a technical defect, revision of a decision by the customer or other circumstances beyond the control of LaudaMotion;
- f.) additional costs resulting from the necessity of flying to an alternative airport or of making a stopover there due to bad weather conditions, a technical defect, revision of a decision by the customer or other circumstances beyond the control of LaudaMotion;

- g.) additional costs resulting from “force majeure” events, in particular de-icing of the aircraft.

The costs, charges and fees included in the flight price are continuously subject to alteration, and LaudaMotion shall therefore be entitled to take such alterations into account, and to increase the flight price to the extent necessary to accommodate these charges.

5. CONDITIONS OF PAYMENT

Unless otherwise agreed, the flight price shall be payable to LaudaMotion no later than the last banking day before the flight according to agreed payment condition. The same shall apply to all payments and expenses not included in the flight price. The customer shall be obliged to reimburse LaudaMotion immediately for any expenses advanced by the latter on the customer's behalf.

6. TRANSPORT DOCUMENTS

LaudaMotion shall issue tickets for the transport of persons, and shall transport only the passengers named on the tickets. The tickets shall be valid for the relevant flight, but may be extended in writing by LaudaMotion.

LaudaMotion shall issue an air freight bill for the transport of freight, and shall transport only the freight listed on the air freight bill.

Neither tickets and air freight bills are transferable without the consent of LaudaMotion.

The customer shall be obliged to provide LaudaMotion with all the necessary information about passengers, luggage and freight in good time so as to enable LaudaMotion to issue and deliver the necessary documents and

declarations in good time with due consideration for the relevant regulations.

In particular, no later than 24 hours prior to departure the customer shall be obliged to provide LaudaMotion with a passenger list that must also contain any special information.

The customer shall be responsible for the correctness and completeness of all information, and for any losses arising due to incorrect or incomplete information, and shall therefore indemnify LaudaMotion against any such losses.

The customer shall ensure that passengers have all the necessary travel documents, especially entry visas, etc. prior to the flight. He shall also be responsible for ensuring that passengers and/or luggage and/or freight comply with the travel and customs regulations and the legal and/or official entry conditions of the country of destination and the countries that will be overflown. The customer shall be liable for all costs and damages arising as a result of failure to comply with these regulations, and shall therefore indemnify LaudaMotion against them.

Provided this is explicitly agreed in writing, LaudaMotion shall procure the documents and permits necessary for the flight in accordance with the legal and intergovernmental regulations and required to carry out the flight. Otherwise the customer alone shall be responsible for these.

Under no circumstances shall LaudaMotion be liable for any consequential damage if such permits are not granted (e.g. flight, overflying or landing permits), provided that LaudaMotion has applied for such permits in good time and in

accordance with the documents and information provided by the customer.

7. REFUSAL OF TRANSPORT

At its discretion, LaudaMotion shall be entitled to refuse to transport passengers for pressing reasons without any infringement of its rights. This shall apply particularly if their mental or physical condition or their behavior may endanger safety or be in violation of legal regulations.

At its discretion, LaudaMotion shall be entitled to refuse to transport luggage and freight without any infringement of its rights, especially if these represent a safety risk or may be in violation of legal regulations.

Under these circumstances, the customer shall not be entitled to terminate the agreement.

8. LIABILITY

8.1 General

LaudaMotion shall be partly or completely exempted from any liability in the event damage caused or contributed to by third parties, which persons shall also be construed as meaning the customer and passengers. LaudaMotion shall be liable only under the conditions set forth below.

LaudaMotion shall be liable only for damage caused in the course of providing its own air transport services. LaudaMotion's liability shall under no circumstances be higher than the amount of the damage proven.

The total amount of any compensation payable by LaudaMotion and the above mentioned persons shall under no circumstances exceed the maximum applicable liability limits.

None of the provisions of these general terms and conditions of

business shall be interpreted as excluding and/or limiting liability in accordance with the applicable regulations.

LaudaMotion shall not be liable if all reasonable measures have been taken to prevent damage, or if it is not possible to take such measures.

The exclusion and limitation of LaudaMotion's liability shall also apply analogously to all operational staff, employees and other persons whose aircraft LaudaMotion uses, including their operational staff, employees and other persons.

Under no circumstances shall LaudaMotion be liable for indirect damage, consequential damage, or compensation of a penal nature. To the extent that the contracting parties are consumers, LaudaMotion shall be liable only in the event of willful damage or gross negligence.

Any claim for damages can only be made within the preclusion period of two years. This period shall be calculated from the date of the arrival of the aircraft at the destination, or from the date on which the aircraft should have reached the destination, or from the date on which the transportation was terminated. The method of calculating this period shall be determined in accordance with the law of the court applied to.

In particular, LaudaMotion shall be entirely exempted from liability in the following cases:

- in the event of damage caused by third parties;
- in the event of damage attributable to force majeure;
- in the event of damage due to a technical defect of the aircraft;

- in the event of flights being changed or not carried out for reasons of safety;
- in the event of damage directly or indirectly attributable to compliance with legal and/or official directions, provisions or regulations;
- in the event of damage attributable to the lateness of passengers and/or luggage and/or freight and not caused either willfully by or through the gross negligence of LaudaMotion;
- in the event of damage due to a necessary stopover or alternative landing not caused either willfully by or through the gross negligence of LaudaMotion;
- in the event of damage resulting from failure to fulfil and/or defective fulfilment of the flight contract and not caused either willfully by or through the gross negligence of LaudaMotion;

8.2. Persons

Provided the situation is in compliance with the relevant regulations, LaudaMotion shall be liable for damage arising from the death, bodily injury or impairment of health of a passenger aboard an LaudaMotion aircraft, or whilst embarking or disembarking.

Should the flight represent a risk due to a passenger's age and/or state of health, LaudaMotion shall not be liable for any damage attributable to these factors.

8.3. Luggage

Luggage comprises any objects which a passenger has entrusted to LaudaMotion. Hand luggage comprises any objects which a LaudaMotion passenger carries with him.

Each passenger shall be entitled to a luggage allowance of 20 kg and hand luggage of 5 kg. This shall not infringe the captain's right to set a lower weight limit per seat for considerations of safety in individual cases.

LaudaMotion shall be liable for delay, damage, destruction and/or loss of luggage only if caused wilfully or by gross negligence, and then only to the maximum limits specified in the applicable regulations.

LaudaMotion shall not be liable for the loss of and/or damage to or the delay of fragile or perishable goods, or those unsuitable for air transport and not permitted to be carried by air, as well as valuables, documents and/or electronic equipment contained in a passengers' luggage without the knowledge of LaudaMotion.

LaudaMotion shall not be liable for damage caused by objects contained in a passenger's luggage. The customer shall be liable for any such damage and will therefore completely indemnify LaudaMotion against it.

Unless the injured party is able prove the contrary, accepting luggage or goods without lodging a claim immediately shall be taken as proof that they have been transported in an orderly manner.

8.4. Freight

Freight is the term used to refer to any goods entrusted to LaudaMotion for transport by air under a flight contract. Animals may not be transported without the express written permission of LaudaMotion.

The costs and risks of loading and unloading the aircraft shall be borne by the customer. The customer shall be obliged to package the goods to be transported properly, and to provide

sufficient fastening materials of suitable quality.

LaudaMotion shall be entitled to use any transport capacity not utilized by the customer for its own purposes.

The customer shall be responsible for ensuring that the goods to be transported are suitable for transport by air and that they do not contain items that might endanger the aircraft and/or persons, and that the transportation thereof is not forbidden by laws, regulations or other provisions in the country of destination or in any country that will be flown to or overflown during the course of the flight.

LaudaMotion shall be liable to the sender or any third party only for freight damage occurring during transportation by air. However, this shall only apply if such damage is caused wilfully or by gross negligence.

LaudaMotion shall not be liable if the sender and/or receiver or any persons associated with them cause or contribute to such damage.

Under no circumstances shall LaudaMotion be liable for any damage higher than the value of the goods specified in the shipping documents. The value of the goods must be proved in each case. In the event that goods are only partly damaged or incompletely delivered, LaudaMotion's liability shall be reduced in proportion to the weight of the undamaged or undelivered part.

LaudaMotion shall not be liable if the damage or loss of the goods transported is due to items contained therein. LaudaMotion shall not be liable for goods that deteriorate or perish due to environmental influences or to the duration of the transport.

Such damage shall be borne by the owner and/or sender and/or receiver of such objects, and LaudaMotion shall therefore be completely indemnified against it.

LaudaMotion shall be entitled to remove or to destroy any goods representing a hazard to the aircraft, persons or other property without prior announcement and without any liability whatsoever.

8.5. Customer

The customer shall be liable for implementation of the flight contract even if only acting as an intermediary. This liability extends to any damage to the aircraft caused by the customer's representatives, employees and/or passengers.

The customer shall be obliged to inform LaudaMotion immediately about any significant incidents, especially injuries to passengers or damage to luggage that may occur during the flight. In the case of damaged freight, this must be done immediately after delivery of the freight, as LaudaMotion shall not otherwise be held liable in any way.

9. TERMINATION

LaudaMotion shall be entitled to terminate the flight contract with immediate effect for pressing reasons without any infringement of its rights, in particular:

- if the passengers do not arrive at the agreed time or if the customer fails to provide the luggage or freight for the flight at the agreed time;
- if the customer violates his obligations arising from the flight contract, in particular if he fails to pay the flight price in good time at the agreed conditions;

- if insolvency proceedings are instituted on the customer's assets, or the latter encounters other financial difficulties;
- if the customer fails to produce the necessary security;
- if force majeure prevent the flight from being carried out.

The customer shall be entitled to terminate the flight contract before the start of the air transport if force majeure makes it impossible to carry out the flight.

10. CANCELLATION

The following cancellation fees shall become payable with immediate effect should the customer cancel the flight contract for any reason other than those listed under point 8 above. The customer shall advise LaudaMotion in writing of his cancellation of the flight contract.

In this event, the following cancellation fees will be charged:

- a) till 48 hours before departure: 10% of the flight price;
- b) till 24 hours before departure: 20% of the flight price;
- c) Less than 24 hours before departure: 25% of the flight price;
- d) In the event of the journey not being made once flight services have already been provided: 100% of the flight price.

If, in the case of several customers, the flight contract is not cancelled by means of a joint declaration of intent, the cancellation shall only become legally effective upon receipt of the last declaration of intent.

11. JURISDICTION

In the event of any dispute arising from this contract, the pertinent court of Vienna shall have sole jurisdiction and Austrian procedural law shall apply.

12. GENERAL

Any rights pertaining to this flight contract may not be assigned or transferred without the express written consent of LaudaMotion. Should any provision of these GTCB be or become void, this shall not affect the validity of the other provisions. Any invalid provisions shall be replaced by valid provisions that replace the invalid provisions as closely as possible.

Several customers shall be jointly and severally liable for any claims that LaudaMotion may raise against any one or several customers.

The customer shall be obliged to bring these GTCB to the attention of his passengers and other persons and agree upon their applicability, and therefore to indemnify LaudaMotion completely, and to represent these GTCB in such a way as if they had been agreed upon between LaudaMotion and the customer's passengers or other persons.

Vienna, 10th of January, 2007