CZECH AVIATION TRAINING CENTRE

GENERAL TERMS AND CONDITIONS FOR DRY AND WET LEASE OF CATC TRAINING EQUIPMENT

Czech Aviation Training Centre, s.r.o. (hereinafter referred to as **CATC**) based at K Letišti 934/2, 161 00 Prague 6 – Ruzyně, Czech Republic, is a company specialized in training of pilots, cabin crew, technical and other civil aviation staff and in selling training time of its Training Equipment at its Training Basis or at places agreed between Customer and CATC.

These General Terms & Conditions for dry and wet lease of CATC Training Equipment ('**General Terms**') are governing the relations between the Customer and CATC, its employees, officers, agents and other subcontractors as the case may be. They form a part of any written acknowledgement from CATC or any agreement between Customer and CATC for ordered Training Services. The Customer accepts these General Terms by signing them and by making use of CATC's Training Services and/or Training Equipment. In case of inconsistencies between these General Terms and any Agreement in which reference to these General Terms is made, the Agreement supersedes these General Terms.

1. DEFINITIONS

"Agreement" means any agreement signed between Parties and specifying which CATC Training Equipment is leased to the Customer, for which period and according to which price and other conditions.

"Authority" means the local civil aviation authority or any similar agency having jurisdiction either over CATC or over the Customer.

"CATC Instructor" means a person employed by CATC or a person who is in contractual relationship with CATC carrying out any part of CATC Training Services for Students.

"Contractor" means CATC.

"Customer" means the companies or individuals purchasing the Training Services and/or leasing the Training Equipment from CATC.

"Dry lease" means the lease of the CATC Training Equipment to Customer for an agreed time during which Customer has an operational control over the Training Equipment.

"in writing" means a signed paper document or an electronic mail (e-mail). Use of e-mail always requires confirmation by the recipient on receipt of the message.

"Party" – either CATC or the Customer.

"Parties" – jointly CATC and the Customer.

"Session" – means one (1) training or simulator session.

"SOB" - Safety and Operation Briefing.

"Student" – means a trainee who could be an individual Customer or a person employed by Customer or a person who is in contractual relationship with the Customer.

"Taxes" – means any direct or indirect taxes (VAT, withholding, etc.), custom and other duties, fees, commissions and/or similar charges levied by a competent tax or customs authority or any government of any country, incurred in connection with these General Terms or otherwise related to these General Terms or to any transaction contemplated herein, or which are based upon or levied or assessed against Training Services.

"**Training Basis**" means CATC premises at Vaclav Havel Airport in Prague, Hangar B, Czech Republic.

"**Training Equipment**" means any equipment used to provide Training Services.

"Training Order" means Order confirmed in writing by Customer containing training requirements based on the Agreement.

"**Training Services**" means any and all kinds of the lease of Training Equipment for pilots, cabin crews, technical and other staff provided by CATC to the Customer pursuant to the Agreement or Training Order.

"Wet lease" means the lease of the CATC Training Equipment to Customer for an agreed time during which an operational control over the Training Equipment remains in hands of CATC Instructor. For clear understanding, the conducted training activity is not provided under ATO CATC and it is not governed by EASA legislation under Commission Regulation (EU) No. 1178/2011 and Commission Regulation (EU) No. 1321/2014 and CATC is not responsible for its content and legislative implementation. The performed training activity is the responsibility of the Customer, who is responsible for the scope of such an activity and the recognition of the training at the Authority under which jurisdiction is Customer approved.

2. PREREQUISITIES OF TRAINING

2.1 All Training Services shall be provided (i) in English and (ii) at CATC Training Base, unless otherwise agreed by the Parties in writing.

2.2 The main information about CATC Training Services is available on www.catc.cz, but Customer is also entitled to ask for all information about CATC Training Services, regulatory and other training requirements and pre-conditions, contacting info@catc.cz by e-mail.

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2.3 Customer shall carry full and non-limited responsibility of all actions performed by himself and/or by Students during Training Services. CATC internal rules are at Students' disposal within CATC premises.

2.4 Customer shall be responsible for compliance with any requirements for Student´s qualifications, experience, language skills and all other requirements related to the particular Training Services.

2.5 Customer shall ensure that any of its instructors and Students taking part in Training Services must be familiarized with proper and safe use of the respective CATC Training Equipment and shall comply with any Czech regulations and internal rules applicable to CATC premises, which shall include but shall not be limited to all applicable security, health and safety regulations.

2.6 In case of the first Customer Session on the Training Equipment when a Dry Lease is concerned, the responsible instructor must complete the entry Safety and Operation Briefing (SOB). SOB shall be provided by CATC simulator engineer on duty and the Customer shall be instructed about all applicable security, health and safety regulations for the Training Equipment. In a proof of it, the appropriate form will be signed by instructor. For this purpose approximately 30 minutes is needed. This time can be either included into first Session or should be ordered separately any time before the first Session.
Instructed instructor of the Customer is responsible to transfer all these instructions to other Customer's instructors and Students. Completion of SOB must be documented in writing or electronically before the start of each training Session, otherwise the training cannot be started.
If SOB is provided online in the form of a video, all instructors are required to watch the instructional video and confirm that they have studied it.

2.7 No person under the influence of alcohol, drugs or similar addictive substances are permitted to enter Training Basis. Any cancellation of training due to such cases on side of Students or other Customer staff is non-refundable and shall be paid in full by Customer.

2.8 When needed and as may be required, it shall be Customer´s responsibility to obtain approvals from Authority for use of CATC Training Services/Equipment prior to the start of Training Services. CATC will provide all reasonable assistance in obtaining such approvals.

2.9 In case of the Wet lease, when the responsible CATC Instructor finds out or decides throughout an exam or check within the Training Services that the requested level of skills and abilities of the Student does not reach the level enabling the Student to continue with the next part of the Training Services, the training (i) will be suspended and the task in question will be marked "FAILED" or (ii) the Customer will order additional training to repeat the task in question. Any additional training is subject to additional payment. Additional training, including its scope and price, must be agreed by the Customer before its commencement. In case of termination, all amounts already paid by Customer or invoiced by CATC for particular Training Services are non-refundable and invoices shall be paid by Customer by the due date.

2.10 Photos, video or audio recordings from training performed on CATC Training Equipment and/or in CATC premises for training documentation purposes are permitted just for training purposes of the Customer. Other use must be approved by CATC in writing.

3 QUOTATIONS, PROPOSALS AND PRICING

3.1 Quotation for CATC Training Services is prepared by CATC Sales Department and proposal is sent to the Customer in form of a basic quotation or a draft of Agreement in writing. Once the proposed conditions are agreed and accepted by Parties the Agreement or Firm Order of the Customer and the General Terms form a final agreement of the Parties on the performance of particular Training Services.

3.2 All CATC prices are quoted exclusive of Taxes. Should CATC be legally required to withdraw any such taxes or duties, then the Customer will be informed about it and invoiced by CATC accordingly.

4 SCHEDULING, CHANGES AND CANCELLATION

4.1 CATC schedules Training Services for Customer on first come – first served basis subject to availability of the training time on the Training Equipment and availability of CATC´s training personnel (if needed).

4.2 Requests for the scheduling of Training Equipment Slots shall be made by the Customer to CATC's Sales Department in writing.

4.3 "Bookings" are firm orders of Customer for lease of CATC Training Equipment and qualify for cancellation fees. Within thirty days prior to the required first Session date only Bookings can be made by the Parties. CATC shall reply to the request for Bookings of Training Equipment Slots in writing within 10 days either confirming these slots or proposing other alternative ones.

4.4 Notwithstanding provisions above CATC retains the right, at its sole discretion, to not honor requests for scheduling of Training Equipment Slots in case when such requests might be in conflict with CATC business interests. All requests for scheduling of Training Equipment Slots, i.e. all Preliminary Bookings and Bookings made by Customer, that are not replied by CATC within 10 days, are considered to be refused.

4.5 Cancellation of Bookings by the Customer shall be made in writing to CATC's Sales Department. In case of cancellation of any confirmed ordered Training Services by the Customer CATC shall be entitled to claim the payment of a percentage of the full cost of the cancelled Training Services on a sliding scale as described below:

Date of notice served to CATC (before scheduled starting date)	Amount charged to the Customer
14 calendar days inclusive and less	100% of full cost
Between 15 and 30 days	75 % of full cost
Between 31 and 50 days	50 % of full cost
More than 51 days	No charge

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4.6 Any shifting of Booking caused by Customer qualifies as a cancellation and a new Booking.

4.7 In case of no-show by the Customer or a Student in the agreed Session, CATC shall have the right to charge the Customer with the cancellation fee on level of 100% of full cost regardless of the reason of the no-show.

4.8 CATC shall have the right to cancel **a Session or a complete course consisting of several Sessions 14 days and more prior to the scheduled date of the Session or 14 days prior the first day of the course against full refund of the payments already made by Customer in relation to such Training Services**.

4.9 In case the Customer is unable to use the Training Equipment in full measure due to a technical failure or malfunction of Training Equipment, the Customer has the option to decide to continue the training and therewith accepting the failure situation as is, or, to suspend the training. If the Customer suspends the training, Customer will be compensated with the same amount of time as was lost.

5 OTHER COSTS AND SERVICES

5.1 Customer shall be responsible for all costs related to training or Customer's use of CATC's Training Equipment, including, but not limited to all transportation of Customer's personnel and all their living and incidental expenses, any license, certification, validation, approval, permit or any other document and the availability thereof, required by Authority or needed for any other purpose for the performing of the Training Services and any costs involved for visa (if needed).

5.2 CATC may assist the Customer in ordering other services for Students on behalf of the Customer, including but not limited to hotel bookings, flight tickets, visa, medical examination and local transport arrangement. For such additional administrative assistance CATC may charge to the Customer agreed administrative fee.

5.3 For costs being re-invoiced by CATC to the Customer for services of third parties performed for Customer needs or for costs for which Customer is responsible under Agreement (and originally covered by CATC), CATC shall add a service charge of ten per cent (10%) of the costs to its invoice. CATC will notify Customer in advance of the price for third-party services.

6. PAYMENT TERMS AND INVOICING

6.1 Notwithstanding any other provision in these General Terms, 100% of ordered Training Services must be covered by Customer payment in advance **unless otherwise agreed**

6.2 Based on the issued invoice, the Customer payments for Training Services denominated in EUR are made by wire transfer to CATC bank account:

Bank Name: Komerční banka a.s.
Bank Address: Na příkopě 969/33, Prague 1, 11000
Bank Account Owner: Czech Aviation Training Centre, s.r.o.
Bank Account Number: 115-6698180257/0100
Bank Account Currency: EUR
IBAN: CZ3201000001156698180257
SWIFT: KOMBCZPPXXX

6.3 Based on the issued invoice, the Customer's payments for Training Services denominated in CZK are made by wire transfer to CATC bank account:

Bank Name: Komerční banka a.s.
Bank Address: Na příkopě 969/33, Prague 1, 11000
Bank Account Owner: Czech Aviation Training Centre, s.r.o.
Bank Account Number: 1156698380267/0100
Bank Account Currency: CZK
IBAN: CZ4301000001156698380267
SWIFT: KOMBCZPPXXX

6.4 All costs related to the transfer of the payment according to clauses 6.2 - 6.3 must be covered by the Customer.

6.5 In case the Customer fails to pay for Training Services in advance as stipulated above, CATC has the right to refuse providing Training Services.

6.6 Any payment not made when due shall carry interest at 0,05 % (per cent) per each delayed day.

6.7 In case the Customer fails to pay for Training Services in advance as stipulated in 6.1. hereabove and CATC does not use its right to refuse providing Training Services as stipulated in 6.5 . hereabove so that Training Services are still provided to this Customer and the Customer fails to pay for provided Training Services even thereafter, CATC shall have the right, any time in the future, to suspend and/or refuse providing Training Services to such Customer until the amount due is fully paid by Customer including late payment interest as stipulated in article 6.6 above.

7 TAXES

7.1 The Customer accepts liability for, agrees to indemnify for and hold CATC free and harmless from any taxes, charges, duties and/or other assessments ("Taxes"), including interests and penalties, arising out of or connected with the execution of the Agreement and imposed by any government or Authority (not being the Czech Government or Czech Civil Aviation Authority).

7.2 Should CATC be obliged to pay such Taxes, then Customer shall reimburse said Taxes to CATC within fifteen (15) days after CATC's request.

8. INFLATION CLAUSE

All prices may be adjusted on the first anniversary of the Agreement starting on February 1 of the following year for year-on-year inflation according to the official inflation index published by the Czech National Bank (ČNB). The maximum year-on-year increase may not be higher than 7%.

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9. TECHNICAL FAILURE OF TRAINING EQUIPMENT

CATC shall use its best efforts to maintain the Training Equipment in such condition that enable CATC to satisfy Customer needs in Training Services agreed in the Agreement. Furthermore, if Training Equipment due to a failure or malfunction is unable to perform or complete any agreed Session or its part, CATC shall use its best efforts to correct the situation and ensure that the delay is of shortest possible duration. CATC shall then arrange (in cooperation with Customer) such compensatory time as is required for suitable completion of the planned Training Services.

10. LIABILITY AND INDEMNIFICATION

10.1 Each Party shall assume all risk and liability for any loss, damage, death and injury caused by its officers, directors, employees, agents, and Students, except in the event that such loss or damage is caused by the willful misconduct or gross negligence of the other Party.

10.2 CATC contractual liability for Training Services shall be limited to the refund of the payments made by Customer in favour of CATC in relation with Training Services.

10.3 Customer shall be liable for all damages to Training Equipment and to Training Basis if caused by Customer, its officers, directors, employees, agents, and Students.

10.4 Customer undertakes not to make any public statements or engage in conduct which may harm the reputation or goodwill of CATC.

11. FORCE MAJEURE

11.1 Parties shall not be in default by reason of failure to perform its obligations hereunder if such failure results from an event of Force Majeure including but not limited to: explosions, war or threat of war, fire, flood, adverse weather conditions, labor disputes, strikes, lockouts, pandemic restrictions or other industrial actions, riots or civil commotion, sabotage, earthquakes and natural disasters, restrictions, regulations, prohibitions, acts, omissions or measures of any governmental, parliamentary or local authority.

11.2 In the event that any failure pursuant to clause 11.1 above results in a delay of more than sixty (60) days, then CATC shall be entitled to cancel all or part of the Agreement by written notice to the Customer without any liability for loss or damage caused by CATC's failure to perform.

12. EXCUSABLE DELAY

CATC shall use reasonable endeavors to meet any estimated or agreed period or date of completion of the Training Services. CATC shall not be liable for the consequence whether direct or indirect due to any delay in the performance of the Training Services.

13. INSURANCE

Customer shall maintain any and all insurances cover for its personnel, such as but not limited to insurance covering general liability, personal injury and/or death, expenses relating to medical and dental treatment, loss or damage of personal property and/or property of CATC and liability towards third parties, whereas CATC shall not cover any direct or indirect associated costs or expenses arising out of any of these.

14 CONFIDENTIALITY

14.1 Any agreement between Customer and CATC shall be treated by both Parties as confidential and shall not be released in whole or in part to any third party without prior written consent of the other Party. In case of wet-lease of Training Equipment, complex, modular and type rating courses, Customer explicitly authorizes CATC to file and archive specific information of the Student, including Student's performance during the training. CATC shall not disclose such information to any third party without the prior written consent of an authorized representative of Customer with the exception of disclosure to Customer's and/or Student's Authority if required so.

14.2 All training content, including but not limited to manuals, presentations, and other documentation used or provided during the Training Services, shall remain the exclusive property of CATC. With the exception of disclosure to regulatory authorities, Customer shall not reproduce, transmit, transcribe, store in a retrieval system or translated into any language in any form by any means, use for Customer's own purpose, or disclose to any third party, any of CATC's proprietary documentation, unless specifically authorized thereto by an authorized representative of CATC.

15. DOCUMENTATION

Any material that CATC, either uses during the Training Services or distributes to Students for the purpose of the training, shall be for the sole purpose of such training. Customer shall ascertain that Students and/or other individuals working for the Customer do not carry or use such material as part of their operational material for operating the aircraft. At the same time, they may not make photocopies of training materials or make audio and video recordings of ongoing training.

16. TERMINATION

16.1 These General Terms shall become binding for the Parties upon signature of the Agreement or Training Order by both Parties and shall enter into force on the same date. It shall remain in effect for the Parties for a term of the Agreement or Training Order.

16.2 Either Party may terminate the Agreement including applicable amendments without indication of reasons upon three months' notice.

16.3 The right of CATC to terminate the Agreement for cause remains unaffected. An important cause shall include but not be limited to the opening of insolvency proceedings over the assets of Customer or the rejection of the opening of the insolvency proceedings for lack of assets. CATC shall also be entitled to terminate the Agreement for cause if Customer is in default of payment vis-à-vis CATC for more than two months and does not make payment despite an ultimate written warning. In the event a termination notice is given for cause, the Agreement shall terminate with effect on the end of the day in which such notice is received by Customer.

16.4 Notices of termination shall be made in writing.

17. SEVERABILITY

In the event of any clause of these General Terms being rendered or declared ineffective or invalid by any legislation or rule of law or by any decision of any court of competent jurisdiction, the remainder of any affected clause or provision of the General Terms shall remain in full force and effect.

18. NOTICES

Any such notice, request, requirement, approval, consent or other communication in connection with these General Terms and with the Agreement shall be given in writing and:

- if delivered by hand shall be deemed received when so delivered, or
- if by registered mail shall be deemed received by the addressee on the day on which it is signed as received, or
- if faxed or e-mailed, shall be deemed received by the addressee upon electronic acknowledgement.

19. WAIVER

Any failure, delay or indulgence on the part of CATC in exercising any power or right conferred hereunder shall not operate as a waiver of such power or right, nor preclude the exercise of any other right or remedy hereunder, and shall be without prejudice to the legal rights of CATC, and the obligations of the Customer shall continue in full force and effect.

20. PERSONAL DATA PROTECTION

CATC shall comply with personal data protection rules pursuant to Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), i.e. GDPR Regulation, and pursuant to other generally binding legal regulations on personal data protection. More information on CATC data protection is available on www.catc.cz

21. LAW / JURISDICTION

The Agreement and these General Terms shall be governed by and construed in accordance with the laws of the Czech Republic.
The Parties hereto irrevocably agree that the courts of Czech Republic shall have jurisdiction to settle any dispute which may arise out of or in connection with these General Terms and/or the Agreement.

In witness whereof, the Parties have executed these General Terms on the dates below mentioned.

On behalf of **Czech Aviation Training Centre, s.r.o.**

Date:

Name and Title:

Signature:

On behalf of **CUSTOMER**

Date:

Name and Title:

Signature: