



GENERAL CONDITIONS OF AIR CHARTER AGREEMENTS

The following conditions govern air charter agreements ("Agreement") with Sound Moves and are in addition to the Sound Moves Terms and Conditions of Service; in the event of a conflict between these General Conditions of Air Charter Agreements and the Sound Moves Terms and Conditions of Service, these General Conditions of Air Charter Agreements override all other terms and conditions, express or implied, statutory or otherwise, and shall not be varied except by express written agreement between the parties.

1. Payment of the Charter Price shall be made by Charterer by wire transfer to the account indicated above on or before the date(s) specified in the Agreement and in U.S. dollars. Time is of the essence with respect to all payment terms. In the event Charterer fails to make payment as required or fails to fulfill any other obligation under the Agreement, Agent will be entitled to cancel the Agreement by simple notice, without any formal notification or judicial intervention, and without prejudice to Charterer's obligation to pay the charter cancellation fees as stated in the Agreement. Furthermore, without prejudice to any other right or remedy of Agent, the Agreement may be terminated forthwith by Agent if Charterer commits any act of bankruptcy, becomes insolvent, enters into or is subject to any arrangement or composition with creditors, dies, or goes into liquidation, or if Agent concludes that a material adverse change has occurred in the business, assets, condition, operations, or prospects of Charterer.
2. The cancellation terms set forth above apply within the stated time periods. In addition, if Charterer cancels in order to obtain alternative transportation, or if Agent cancels due to a (A) failure of Charterer or its agents, officers, or employees to comply with the laws or regulations of any government or government agency having jurisdiction, (B) Charterer's material misrepresentation in any data or documentation supplied or to be supplied to Agent or Carrier by Charterer, or (C) Charterer's failure to comply with any other material term of the Agreement, Agent shall be entitled to retain 100 percent of said price. It is agreed between Charterer and Agent that said sums are to be retained as liquidated damages, it being understood that it would be impracticable and extremely difficult to fix the actual damages to Agent resulting from such cancellations at the time of execution of the Agreement. It is specifically agreed that the sums set forth above as liquidated damages are reasonable in view of all vagaries and complexities of charter air transportation.
3. The Charter Price covers the cost of the loading and off-loading of the aircraft but shall not be deemed to cover any expenditure of any other nature unless specifically agreed in writing by Agent.
4. In the event the cargo, in the reasonable opinion of Agent, is incapable of normal stowage, Agent reserves the right to reasonably increase the Charter Price in order to transport Charterer's goods.
5. The Charter Price in the Agreement is based on current costs at the date hereof. In the event Agent, through reasons beyond its control, incurs any increase in its costs between the date hereof and commencement of the Charter, Agent will accordingly increase the Charter Price to take account of such increase.
6. Agent reserves the right to reasonably increase the Charter Price in the event of deviation from any of the conditions herein contained or specifications set out in the schedule through the action of or at the request of Charterer.
7. Agent shall procure the Carrier to provide the Aircraft at the commencement of the Flight properly manned and equipped in accordance with the laws and regulations of the country of registration of the Aircraft and the Aircraft shall be operated in accordance with all applicable laws and regulations during the period of the Flight(s). Agent will make every reasonable effort to transport the cargo on the flight(s) specified in the Schedule. The times shown in the Schedule are approximate and are not guaranteed and the Carrier is entitled to deviate from the Flight Schedule and/or the duration of the Flight and/or to reduce maximum payload. The captain of the Aircraft shall have complete authority and discretion concerning preparation of the load carried, its distribution, and the Aircraft for flight, including whether a Flight shall be undertaken or abandoned once undertaken, whether deviation from proposed route(s) occurs, where landing shall be made, and all such other matters relating to the operation of the Aircraft. If Carrier shall find that landing facilities at any point on the itinerary of the charter flight are, in its opinion, not adequate for safe use on the charter

flight at such point, or if landing is prohibited or restricted by law, regulation, weather or operating conditions, Carrier may substitute in place thereof the nearest point at which, in its judgment, suitable facilities are available and landing can be made. Charterer agrees to accept all such decisions as final and binding.

8. In the event that:

- (i) any agreement between Carrier and Agent in respect of aircraft is terminated for whatever reason; or
- (ii) the Aircraft is detained (whether lawfully or not) by any third party (including but not limited to, detention by any aviation or airport authority, overflight authority, or by way of lien or requisition for hire or otherwise); or
- (iii) Carrier has an administrator, receiver, administrative receiver, trustee, or other like person appointed over a part or all of its assets or business (or any event analogous thereto occurs in any jurisdiction in which Carrier conducts business) and as a result, Carrier is unable to perform the flights at the same cost to Carrier; or
- (iv) if Carrier becomes insolvent, enters into voluntary liquidation, or is compulsorily wound up (or any event analogous thereto occurs in any jurisdiction in which Carrier conducts business); or
- (v) Carrier, for any reason, fails to hold or maintain an Air Operator's certificate,

then Agent shall use its reasonable and best efforts to find an alternative carrier to operate such flights as may be affected by the occurrence of any of the above events ("Affected Flights") at the same cost to Charterer.

In the event that Agent is able to arrange an alternative carrier to operate the affected flight(s), but only at an additional cost, Agent shall notify Charterer forthwith and Charterer shall have the option to charter the Aircraft operated by the alternative carrier provided that, if it so elects, it shall pay to Agent such additional costs upon demand. If Charterer does not so elect, Agent shall thereupon be under no further obligation or liability to Charterer in relation to the Affected Flight(s).

9. All ground and operating personnel, including cabin staff, are authorized to take orders only from the Carrier unless specific written agreement shall first have been obtained from Carrier whereby certain defined instructions may be accepted by such personnel from Charterer.

10. Agent gives no representation or guarantee that the cargo is suitable for loading onto the Aircraft. Agent accepts no liability for any loss, damage, or inconvenience caused or incurred by Charterer in the event the cargo is not suitable.

11. Agent does not guarantee shipment of the cargo on any Flight in the event of late delivery of the Cargo by Charterer. Agent accepts no liability for any loss or damage incurred by Charterer in the event of late delivery of the cargo which results in late carriage of the cargo and Charterer agrees to pay to Agent any additional costs incurred as a result thereof. In the event a flight is delayed due to late delivery of the cargo or the cargo is not ready to be loaded in accordance with the schedule through no fault of Agent or Carrier, Charterer shall also pay demurrage at the rate set out in the Charter Agreement.

12. Agent shall not be responsible for accommodation, refreshments, meals, or any additional costs, losses, or damages incurred in respect of passengers accompanying the cargo due to any delay of any flight, whatsoever the cause, unless specifically stated on the Schedule in the Charter Agreement.

13. Agent may in its discretion substitute the Aircraft and/or Carrier, and such substitute aircraft and carrier shall be comparable to the originally designated aircraft and carrier, and for purposes of the Agreement, be the aircraft and carrier hereunder. In the event Customer authorizes a back-up aircraft be reserved, Customer agrees to pay any additional charges for same.

14. Charterer shall deliver the cargo to the departure airport specified in the Schedule properly packed to the satisfaction of Carrier and all necessary cargo documentation relating to its carriage to Agent's premises or another designated point no less than the stated number of hours in the Charter Agreement prior to the estimated time of departure of the flight. Charterer shall be solely responsible for ensuring that the cargo is packed in an appropriate manner for air carriage so as to ensure that it can be carried safely on the flights with ordinary care in handling and so as not to injure or damage any persons, goods, or property. Charterer is responsible for providing accurate information for the issuance and delivery of all airway bills and other necessary documents to all consignors of the cargo.

Charterer acknowledges and agrees that Carrier reserves the right, without assuming any liability, to refuse carriage of cargo where:

- (i) the transportation, exportation, or importation of the cargo is prohibited by the laws of any country from, to, or over which the Aircraft is to be flown; or
- (ii) the cargo is packed in a manner unsuitable for carriage by aircraft; or
- (iii) the cargo is not accompanied by the requisite shipping documents; or
- (iv) the cargo is likely to endanger aircraft, persons, or property, or cause annoyance to passengers.

15. Consistent with Charterer's responsibilities for packing the goods, if applicable, and for determining the suitability of the cargo for air carriage, damage or loss to the cargo during the loading and unloading of the cargo due to Charterer's packing and suitability of the cargo shall be at the sole risk of Charterer and Agent shall have no liability to Charterer in respect thereof.

16. Carrier's decision as to the utilization of space on its aircraft shall be final. Carrier or Agent shall be entitled to utilize any cargo area or payload on a flight chartered by Charterer which is not utilized for the carriage of Charterer's cargo.

17. Agent shall not be liable for any failure by Agent or Carrier to perform its obligations under the Agreement arising from any cause beyond the control of Agent or Carrier or for any inconvenience, loss, or damage of whatsoever nature incurred by Charterer as a result of cancellation of or delay in the completion of the Charter occasioned directly or indirectly by any cause of whatsoever nature beyond the control of Agent or Carrier, and by way of example only (but not by way of limitation) any of the following:

Strikes, lock-outs, or other industrial action, whether of an official or unofficial nature and whether or not the demands of the employees involved are reasonable and within the power of Carrier or Agent to concede or comply, sabotage, civil commotion, riot, invasion, war, civil war, revolution, blockade, threat of or preparation for war, accident, fire, explosion, accidents to or mechanical malfunction or failure of aircraft, hijack, storm, flood, frost, fog, ice, earthquake, subsidence, epidemic, or other natural physical disaster, seizure confiscation or requisition of aircraft or cargo, non-availability of fuel, refusal of permits and overflying rights, traffic rights or diplomatic clearance.

18. Charterer will comply with and ensure that all passengers accompanying and owners of the cargo observe and comply with all applicable laws, regulations, orders, decrees, directions, permits, licenses, and authorities granted for the flights and/or issued by any relevant governmental or other authority, including but not limited to, Customs, Police, Public Health, and all other relevant regulations and authorities in jurisdictions where the aircraft originates and lands, and that such passengers comply with all relevant requirements, whether documentary or otherwise, in respect of themselves or their baggage and pay all taxes and dues which may be levied in connection with their baggage or otherwise upon such passengers. Agent accepts no liability of any nature for cargo or baggage which may be refused entry, detained, impounded, or confiscated by any authority or for cargo or baggage which the Carrier may refuse to carry if its refusal is required by any applicable law, regulation, demand, order, or requirements. Agent is not liable for any costs or expenses incurred by Charterer as a result of a breach by Charterer of any of the conditions contained herein. Charterer will indemnify Agent against any loss, damage, or inconvenience incurred by Agent as a result of a breach by Charterer or any such person of the aforesaid regulations or requirements. In the event Charterer requests that any passenger(s) accompany the cargo, approval of Carrier is required; Agent will forward Charterer's request to Carrier. If approved by Carrier, Charterer is solely responsible for any insurance for such passenger(s).

19. Charterer shall ensure that neither the cargo nor the baggage of any passenger accompanying it shall contain anything of a dangerous, hazardous, or offensive nature or of which the carriage, exportation, or importation of which is illegal in or prohibited by any country or state in which the aircraft shall land or which it shall overfly. Dangerous goods, human remains, and other special cargo are acceptable only under the conditions set forth in the Carrier's General Conditions of Carriage applicable to the carriage of such cargo and in accordance with the International Air Transport Association ("IATA") rules and regulations pertaining thereto. Charterer acknowledges and agrees that the aircraft will not be utilized for the carriage of illegal air transportation, prohibited dangerous cargo, unauthorized military cargo or munitions, or chemical or biological weapons of war. Charterer shall notify Agent in writing of any such cargo or baggage

and shall, if required by Agent, procure additional insurance waivers in respect thereof. Agent reserves the right at any time to refuse to carry any such cargo or baggage and shall not be liable to Charterer for any loss, damage, or inconvenience incurred by Charterer as a result of such refusal. Charterer shall, whenever required, furnish the information about the packing, carriage, or delivery of the cargo, and deliver the documents as may be necessary to comply with such laws and regulations. Charterer shall be solely responsible for the correctness of the information in the shipping documents and shall indemnify Agent against all damages and losses suffered by Agent, or by any other person to whom Agent may be liable, by reason of any irregularity, incorrectness, or incompleteness of the information in the shipping documents.

20. Agent shall not be liable to Charterer, or owners of or other persons having an interest in the cargo due to any delay, variation to cancellation of any flight, or the non-availability of the Aircraft. Charterer shall indemnify Agent, its managers, directors, officers, employees, agents, and subcontractors against any and all costs and expenses incurred by Agent with respect to the carriage of the cargo.

In addition, Charterer agrees to pay Agent on demand all costs incurred by Agent and/or Carrier in returning or transporting any cargo carried pursuant to the Agreement to the point of origin of the Flight or to any other point pursuant to the direction of any competent authority in any country to, from, or over which the Aircraft is flown.

21. Charterer is not entitled to assign the Agreement and the benefits thereunder to any other party or to assign or sub-contract any of its obligations hereunder without the written consent of Agent.

22. Carriage performed in pursuance of the Agreement shall be subject to the Conditions of Carriage contained or referred to in the traffic documents of Carrier, including its General Conditions of Carriage (SUCH CONDITIONS OF CARRIAGE ARE AVAILABLE UPON REQUEST) and Agent's Terms and Conditions (TERMS AND CONDITIONS ARE AVAILABLE AT www.soundmoves.com). Agent is not and does not accept the obligations of a "Common Carrier."

The Agreement and the transportation and carriage performed or to be performed thereunder on international flights may be governed by the rules and limitations relating to liability established by the Convention for the Unification of Certain Rules relating to International Carriage by Air, signed at Warsaw, 12 October 1929 and that Convention as amended at The Hague, 28 September 1955 (collectively "Warsaw Convention"), and/or by the rules and regulations established by the Montreal Convention on the Unification of Certain Rules for International Carriage signed in Montreal on 28 May 1999 ("Montreal Convention") and related Protocols, which rules and limitations shall, to the extent such Warsaw and/or Montreal Convention is/are applicable, apply to the Flight(s) hereunder. The aforesaid applicable Convention governs and in most cases, limits the liability of carriers in respect to loss of or damage to cargo.

Notwithstanding the provisions of the Warsaw Convention and/or Montreal Convention, and in any event, Agent shall not be liable for any death, wounding, personal injury, or claim of whatsoever nature whether for death, bodily injury, or property damage, or for loss or damage to or delay of cargo, whether arising in contract or tort, whether occasioned by Agent or Carrier, or their respective managers, directors, officers, employees, or agents, and Charterer hereby waives all rights and claims as aforesaid. Charterer shall be solely responsible for insuring the cargo to its full replacement value.

23. Agent shall require Carrier, when transporting livestock on behalf of Charterer, to carry a captive bolt humane killer and tranquilizers on board the Aircraft. If the captain shall, at his sole discretion, deem it necessary for any reason to use such tranquilizers and/or humane killer, while such livestock is being loaded, unloaded, or on board the Aircraft during flight or otherwise, Charterer shall indemnify Agent against all costs, expenses, damages, losses, fees, or liabilities of whatever nature which may result from such use under any of these circumstances, and liability shall solely be borne by Charterer.

24. The Agreement may be terminated immediately upon notice from Agent to Charterer for a breach of any of Charterer's other obligations for which a remedy is not specifically addressed in the Agreement unless Agent agrees that the breach is capable of remedy and in which case, Agent agrees that Charterer may remedy within five (5) days. In the event termination of the Agreement occurs under this Section 24, Charterer agrees, without prejudice to any other rights and remedies which Agent may have, to pay Agent forthwith all amounts due and payable hereunder, together with interest thereon at the rate specified in Agent's terms and conditions which Charterer has signed in Agent's customer

package. Agent shall be entitled to retain all cancellation fees, costs, and any initial deposits paid by Charterer pursuant to any provisions set out in the Schedule and the Agreement.

25. Agent may, at any time and without notice to Charterer, at its sole discretion, set-off any amounts paid by Charterer to Agent pursuant to the Agreement against any other amounts due to Agent from Charterer.

26. No failure by Agent to exercise, and no delay by Agent in exercising, any right or power under the Agreement shall operate as a waiver nor shall any single or partial exercise of any right or power under the Agreement preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

27. Any notice required under the Agreement shall be in writing and shall be deemed duly given as of the date of the notice delivered by overnight courier or by facsimile to the parties' addresses provided below.

28. No party has relied on any warranty, representation, or indemnity of any other party except as expressly stated in the Agreement.

29. Charterer agrees that no claims will be made against Agent with respect to any representation, warranty, indemnity, or otherwise arising out of or in connection with the charter of the Aircraft except where such representation, warranty, or indemnity is expressly contained in the Agreement.

30. Charterer agrees that Agent shall not be liable in any event for consequential, indirect, incidental, special, or punitive damages or losses, including loss of profit or anticipated profit, arising from the performance or non-performance of any Flight or any of Agent's obligations hereunder, whether or not Agent may have had knowledge of same.

31. The Charter Price, payment terms, and other terms of the Agreement are confidential to the parties and shall not be disclosed by a party without the prior written consent of the other party.

32. All indemnities contained in the Agreement shall survive termination of the Agreement.

33. No modifications to the Agreement shall be effective unless made in writing and signed by authorized signatories on behalf of both parties.

34. To the extent not governed by applicable federal statutes, the laws of the state of California shall govern the validity, construction, and performance of the Agreement and all controversies and claims arising hereunder. Charterer agrees that the forum for any litigation arising out of the performance of the Agreement, whether initiated by Charterer or Agent, shall be Los Angeles, California.

35. The Agreement sets out the entire agreement and understanding between the parties in connection with the charter of the Aircraft described herein.