

**AERIAL TAXI OPERATOR AGREEMENT
STANDARD TERMS AND CONDITIONS**

FOR

Canberra elite

Silver service

Qe

Aerial Taxis

BETWEEN

AERIAL CAPITAL GROUP LIMITED

ABN 85 116 825 248

And

TAXI OPERATOR

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IT IS AGREED:**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement, the following terms shall have the following meaning:

“Bylaws” means the Bylaws of the Company, as set out on the Aerial Capital Group Ltd webpage;

“Canberra Elite Taxi Service” means the Canberra Elite taxi service provided by the Company.

“Charges” means levies, fees, premiums and other costs invoiced by the Company to the Operator.

“Commencement Date” means the date specified at Item 1 of the Schedule;

“Company” means Aerial Capital Group Limited ACN 116 825 248;

“Customer” means an entity, being an individual person, company or other such legal trading entity that elects to use a taxi for travel.

“Customer Accounts” means a credit account, with or with a link to a credit card, that can be used by a Customers to pay for a taxi fare.

“Drivers” means those persons who agree in writing to be bound by the Bylaws and who are engaged by the Operator to drive the Vehicle, as specified in Item 9 of the Schedule;

“Elite Service” means the Canberra Elite taxi service provided by the Company.

“Equipment” means the equipment owned by the Company, loaned to the Fleet as part of the Service provided, and specified in Item 4 of the Schedule;

“Intellectual Property” means the intellectual property of the Company used in the business of providing taxi services to the public and derived from the Service, and includes but is not limited to: patents, trademarks, confidential know-how, registered designs, operations manuals, dress designs, equipment, advertising and promotional materials, customer lists and the right to use Customer information of which the Company is the author, proprietor, owner or licensee, and from which goodwill is derived.

“Operating Committee” means the committee of that or a similar name established by the Company to act as its agent to negotiate, oversee, enforce and maintain arrangements between the parties concerning the provision of call and booking services to the Operator;

“Qe Taxi Service” means the Qe taxi service provided by the Company.

“Regulated Fares” means the approved fare structure authorised by the ACT / NSW Governments.

“Royalty” means a percentage of a taxi fare paid to the Company as a commission.

“Rules” means the Rules or Bylaws of Aerial Capital Group Ltd.

“Schedule” means the schedule accompanying this document;

“Security Deposit” means the fee referred to in Item 7 of the Schedule

“Service” means the products offered by the Company, being but not limited to, Customer Accounts, Call Centre operated by the Company for the receipt and allocation of bookings, available 24 hours a day, 7 days a week, Intellectual property, livery, repair and installation services to vehicle equipment, marketing and promotional activities;

“Service Fee” means the fee referred to in Item 3 of the Schedule representing the cost for or incidental to the provision of the Service;

“Service Standards” means the standard required by the Company to meet Customer expectations as defined in the Rules and other marketing material provided by the Company.

“Silver Service” means the premium taxi service provided by the Company.

“Taxi Plate” means the Taxi Plate affixed to the Vehicle as specified in Item 8 the Schedule; and

“Vehicle” means the vehicle owned by the Operator and approved by the Company, to which the Taxi Plate is affixed, and to which Service is provided under this Agreement.

- 1.2 Words importing the singular meaning shall include the plural meaning and vice versa.
- 1.3 Words importing one gender shall include all genders.
- 1.4 Headings are for convenience only, and do not affect interpretation.

2. PROVISION OF SERVICES

2.1 Under this Agreement, the Operator engages the Company to provide the Service so that the Operator may better use and operate his Taxi Plate and Vehicle.

2.2 The Service is provided:

- (a) for the use of the Operator in the operation of his Vehicle; and
- (b) subject to the terms and conditions of this Agreement.

3. TERM

This Agreement shall continue until terminated by either party with 28 days notice.

4. LICENCE

Under this Agreement and as part of the Service, the Operator is granted rights to:

- (a) use the Equipment;
- (b) the access to, use of and reliance on the Service;
- (c) use and/or adopt the Company uniform and badging for or incidental to the operation of the Vehicle; and
- (d) the benefit of any advertising conducted or undertaken by the Company.

5. SERVICE FEE

- 5.1 The Operator will pay the Service Fee to the Company.
- 5.2 The Service Fee will be paid weekly in advance unless otherwise agreed between the parties, as specified in Items 3 and 5 of the Schedule.

6. ACCOUNT MAINTENANCE

- 6.1 The Company will, as part of the Service, offer and maintain Customer Accounts for taxi fares. Customer Accounts can be used to charge taxi fares to any credit card or account or otherwise, on behalf of the Operator.
- 6.2 The Company is authorised to deduct and pay to itself a Royalty on all monies collected pursuant to clause 6.1 as specified in Item 6 of the schedule. The Company reserves the right to vary this amount with 28 days notice.
- 6.3 Once the Company has deducted its payment in accordance with clause 6.2, the balance of fares collected under clause 6.1 shall be paid by the Company to the Operator.
- 6.4 Payments in accordance with clause 6.3 shall be made by the Company at the end of each 28 day cycle.

7. THE COMPANY'S OBLIGATIONS

7.1 Subject to this Agreement and the By Laws, the Company shall:

- (a) Provide an adequate and efficient dispatch and call service (Service) for the receipt and allocation of bookings;
- (b) Provide an adequate service for equipment forming part of the Service to be available only during business hours;
- (c) Provide marketing and promotions for the new services including advertising and tendering for contracts;

8. OPERATOR'S OBLIGATIONS

8.1 The Operator will:

- (a) pay the Service Fee and all charges on or before the due date;
- (b) faithfully observe and comply with the Bylaws;
- (c) comply with all laws and regulations pertaining to the operation of the Vehicle for the duration of this Agreement;
- (d) have a bailment agreement in place with drivers and produce a copy to the company on request;
- (e) provide a high quality style taxi service in keeping with the Service Standards of the Company;
- (f) immediately notify the Company of any accident involving the Vehicle;
- (g) maintain the Vehicle to the standards:
 - (i) required by law; or
 - (ii) required by the Bylaws,
 whichever is the higher,
 - (h) immediately rectify at the Operator's own expense any problem or defect in respect of the Vehicle upon a notification being given by the Company;
 - (i) place no advertisement on the Vehicle without the prior written consent of the Company;

- (j) Charge fare paying customers no more than those fares and charges set by any government or statutory authority relevant to a service such as Canberra Elite Taxis, Silver Service Taxis, QE Taxis or any branded fleet under the Company banner, and equal to or less than the fares recommended or quoted by the Company;
- (k) Maintain the vehicle as may be required by law, or such standards as may be required by the Rules, whichever is the greater;
- (l) At all times keep the vehicle insured to its full insurable value against all risk and adequately insured against liability to any person arising from the use of the vehicle or from the performance of their obligations under this Agreement, and shall hold the Company indemnified accordingly. The Operator shall, on request, produce to the Company, any policy and receipts for premiums paid or insurances taken out as required by this Agreement.
- (m) Make good the damage which the Company may suffer as a result of the loss, or damage to, any customer's goods while in the custody of the Operator, and the Operator shall at all times maintain adequate insurance against their liability under this provision.
- (n) Operators may use the services of drivers, provided that any such driver holds a current driver's permit relevant to or required to operate the taxi, required by law and has been accredited by the Company to drive a taxi in Aerial's fleets and in compliance with the Rules. The Operator must formally advise the Company on the driver's status as either an employee or a Bailee prior to the generation of a driver logon. Should the driver's status change then the Operator must promptly advise the company in writing.
- (o) It shall be the responsibility of the Operator utilising the services of the driver to ensure that the driver complies with the law, the regulations of any proper authority and the Rules of the Company;
- (p) To the greatest extent allowed by law, the Operator agrees to indemnify the Company in respect of all, or any liability of all kinds arising out of, or incidental to the use of the driver by the Operator.

9. VEHICLE STANDARDS

The Operator shall –

- (a) Make the vehicle available at a time and place nominated by the Company for inspection by an authorised officer of the Company.

- (b) Immediately rectify at the Operator's expense any problem or defect in respect of the vehicle upon a notice or direction being given by the Company.
- (c) At all times keep and maintain the vehicle –
 - i. in its original design state;
 - ii. in good order and condition at all times;
 - iii. in roadworthy state;
 - iv. in working order and complete as purchased;
 - v. so that there are no mismatched, broken, dented, defaced or unpainted panels, body parts or bumpers;
 - vi. so that there are no burns, rips, tears, marks or other defacement of seats, roof lining, door panels, dashboard, steering wheel, carpets, kick-boards or other parts of the vehicle;
 - vii. so that the interior and exterior of the vehicle have a clean, well-cared for appearance in accordance with Company standards for this class of service.

10. VEHICLE REPLACEMENT

The Operator acknowledges and agrees that the vehicle:

- (a) May be used as a taxi for as long as it meets current ACT/NSW Regulation for vehicle life or until such earlier date when the vehicle fails to meet Service Standards, in the Company's opinion.
- (b) For the Silver Service fleet the Operator acknowledges and agrees that the vehicle may only be used as a "Silver Service" vehicle for a period of 4 years and cannot be operated beyond 6 years from the date of manufacture of the vehicle as shown on the vehicle compliance plate or until such earlier date when the vehicle fails to meet Service Standards, in the Company's opinion.

11. CONVERSION TO ANOTHER TAXI SERVICE AGREEMENT

If an Operator is in breach of this agreement or any rules made hereunder, and the breach has not been rectified to comply with the standard set by the company within the notified period, then

- (a) the Company may alter or terminate this agreement.

- (b) if the agreement is altered and the Company consents to offer another taxi service agreement then the vehicle may be converted. If the agreement is terminated then the vehicle must be debranded immediately.

Conversion of the vehicle to comply with a new agreement will be at the expense of the operator.

12. EQUIPMENT

12.1 The Company may, at its sole discretion, provide the Operator with Equipment as part of the provision of the Service. Such Equipment will be provided by the Company to the Operator by way of loan. The cost for the loan of this Equipment will be included in the Service Fee.

12.2 If Equipment is loaned to the Operator the Operator will:

- (a) maintain and keep the Equipment in good operating condition at the Operator's expense;
- (b) be responsible for all maintenance and repairs to the Equipment;
- (c) pay all lease fees associated with the computerised dispatch and security system (if applicable); and
- (d) bear all costs associated with the ultimate return of the Equipment to the Company.

12.3 The Company will be responsible for any major repairs or, where necessary, replacement, of the Equipment. The Company, at its sole discretion, shall decide whether maintenance is deemed major and whether Equipment needs to be replaced.

13. LOSS AND DAMAGE

13.1 The Operator must immediately notify the Company of any accident in which the Vehicle has been involved or of any claim on the Company arising directly or indirectly out of any accident and to supply all particulars in relation to any accident including details of damage and personal injury as the Company may reasonably require.

13.2 The Operator will reimburse the Company upon demand for any loss, damage and costs incurred by the Company as a result of:

- (a) any accident involving the Vehicle where the Operator or a Driver is negligent or found guilty and is subject to litigation resulting from such accident; and

- (b) an intentional breach by the Operator or a Driver of any of the terms and conditions imposed under this Agreement.

14. TERMINATION OF AGREEMENT

14.1 This Agreement shall continue until terminated with 28 days notice from either party

14.2 The Company may otherwise terminate this Agreement by 28 days notice in writing if:

- (a) the Operator commits or allows to be committed any breach of the terms of this Agreement and fails to remedy the breach within 14 days of receiving written notice from the Company requiring the breach to be remedied;
- (b) the operator dies;
- (c) the Operator commits an act of bankruptcy, or makes or enters into any arrangement or composition with its creditors;
- (d) the Operator or a Driver is in breach of the By Laws (subject only to the completion of any disciplinary procedures described in the By Laws); or
- (e) the Parties otherwise agree to terminate this Agreement.

14.3 The Company may immediately terminate this Agreement by written notice if the Operator is in breach of any of the provisions of Clause 8 for a period exceeding 7 days.

14.4 The Operator may terminate this Agreement by 28 days notice in writing if:

- (a) the Company has breached any of the terms of this Agreement, and fails to remedy the breach within 14 days;
- (b) the Company enters into liquidation, either compulsorily or voluntarily, or becomes subject to the appointment of a receiver; or
- (c) the Parties otherwise agree to terminate this Agreement.

14.5 Upon termination of this Agreement, the Operator will immediately:

- (a) return the Equipment to the Company; and

- (b) return to the Company all chips or other equipment supplied by the Company to the Operator to facilitate the operation of any communication system utilised in connection with the Service.
- (c) remove from the Vehicle any signs and sign writing relevant to this agreement including the Company's insignia and telephone numbers;
- (d) remove any other reference to the Company, together with any books, records, papers or other property in their possession, belonging to the Company.

14.6 Upon termination of this Agreement, the Operator will be entitled to the balance of any registration, fees or charges paid by the Operator in advance.

15. FORCE MAJEURE

Neither party is liable for any obligations under this agreement in the event or circumstance which is beyond the control and without the fault or negligence of either party. This extends to acts of God, government action or intervention, national emergencies, acts of war, infectious disease, epidemic, pandemic or similar, flood, fire or other physical natural disasters

16. CONFIDENTIALITY

- (a) All trade or professional secrets, or other factual material supplied by the Company to the Operator, shall remain the property of the Company, and both Parties shall not disclose to any person any secret or confidential information or method of working which may have been revealed by one to the other, for the purpose of carrying out this Agreement.
- (b) The Operator shall observe all security arrangements that apply, and shall ensure that the information is not disclosed to any unauthorised person by the Operator directly or in consequence of a failure by the Operator, to adequately safeguard the Company's information;
- (c) During the term of this Agreement, the Operator shall not undertake any assignment with any other Party that is in competition with or in direct conflict with the commercial interests of the Company.

17. NON LIABILITY FOR COMPANY DEBTS

The Operator shall, in no way related to the operation of this Agreement, be liable for the debts of the Company, unless such debts have been directly negotiated and/or incurred by or on behalf of the Operator.

18. INSPECTION OF DOCUMENTS

If requested by the Company, the Operator must produce for inspection any documents relating to the use and operation of the Equipment or service including any documentation required under NSW or ACT legislation, whichever is relevant under the accredited authority

19. SECURITY DEPOSIT

If Item 4 of Schedule 1 is completed, the Operator shall lodge with the Company the sum specified in Item 7 of the Schedule as a security deposit which may be applied by the Company:

- (a) against the cost of any repairs or replacements to the Equipment which may be lost, destroyed or damaged as a consequence of the negligence or default of the Operator; and
- (b) in settlement of or on account of any moneys which may be owing by the Operator to the Company under the terms of this Agreement.

The security deposit must be topped up and kept current for an Operator to continue to receive the Service. Where a request to top up the security deposit has been made by the Company and the Operator has not acted as requested, within 3 days of the notice, the Company can suspend access to the Service.

20. LATE OR DISHONOURED PAYMENTS

Under this agreement, late or dishonoured payments in accordance with the Company's Accounts Policy will be levied as set out in item 10 of the Schedule.

21. RIGHT OF SET OFF

Where the Operator has incurred any liability owing to the Company, whether arising from or under this Agreement or otherwise, the Company may, with 7 days notice to the Operator, deduct the amount of such liability from any amount owed or payment due by the Company to the Operator.

22. OTHER CONDITIONS

The Operator will not:

- (a) pledge the credit of the Company;
- (b) in any way utilise any credit arrangements of the Company; or

- (c) use the name of the Company for any reason or purpose;

without the written consent of the Company being first obtained.

23. RULES

The Operator acknowledges and agrees that the Company has the power to reasonably change, introduce and rescind any Rules, By Laws, Service Fee or payment cycle of the Company pertaining to the operation and conditions of the Service and governing the use of the Vehicle to which the Service is provided by giving 7 days prior notice.

24. TRANSFER OF OWNERSHIP

24.1 The Operator acknowledges and agrees that this agreement can only be transferred with the written consent of the Company. If the vehicle subject to this agreement is transferred, loaned, leased, used or managed by any person other the Operator during the term of the agreement, the Operator is automatically in default.

24.2 Where an Operator is in default, the Company reserves the right to suspend any payments to the Operator, from the period commencing from the time of default, until such time as the default is rectified.

25. WORKERS COMPENSATION

The Operator must annually provide the Company with a copy of a current workers compensation policy. If a current policy is not provided within 14 days of the anniversary of this agreement or following a request made at any other time by the Company, then the Company may choose to levy a workers compensation charge or give notice to terminate this agreement.

26. APPLICABLE LAW

The law of the Australian Capital Territory or New South Wales, whichever is relevant under the accreditation authority, will apply to this Agreement and the Parties hereto agree to submit to the exclusive jurisdiction of the Courts of the Australian Capital Territory or New South Wales, whichever is relevant and those Courts having appellate jurisdiction.