

**Monthly Credit Business Account for Airline Operators and Aviation  
Companies**

**Terms of business for a credit facility**

**Agreement**

- 1.1 British Airways Plc (“BA”) and the Customer named in the application for credit, agree that any credit facilities offered by BA to the customer shall be subject to these Terms of Business.
- 1.2 These Terms of Business supersede any previous agreement relating to such credit facilities and may only be varied by a written document signed by a duly authorised officer of BA. These Terms of Business shall not affect or vary any provisions not relating to credit facilities and which provisions are binding on BA and/or the Customer by contract, statute, international convention or otherwise.
- 1.3 The credit facility shall be opened upon confirmation in writing given by BA to the Customer and shall continue, subject to these Terms of Business, until terminated as hereinafter provided.

**Credit Facility**

- 2.1 If the Customer is a member of the IATA or Airlines Clearing House, settlement will be made via the applicable Clearing House. The Customer shall be bound by the terms and conditions relating thereto.
- 2.2 If the Customer is not a member of the IATA or Airlines Clearing House, the Customer shall make payment of all sums shown due on a monthly Statement of account issued by BA (“a Statement”) not later than the last day of the calendar month in which such Statement is issued (subject always to clause 5.3 hereof). Any sums due to the Customer, for which invoices have been received by BA will be deducted from the sum due to BA.
- 2.3 In the event specific settlement terms are agreed in writing between BA and the Customer, these will take precedence to the provisions of Clause 2.2.
- 2.4 The Customer shall not at any time knowingly incur credit with BA whereby the total sums owing from the Customer to BA exceeds the Customers current monthly credit limit with BA as advised from time to time by BA to the Customer in writing.
- 2.5 Any sum due from the Customer hereunder shall be paid to BA in sterling (or other nominated currency) by bank transfer in accordance with the details shown on BA’s monthly Statement.

- 2.6 The Customer shall comply with all current management and administrative requirements relating to the credit facility as may be advised by BA to the Customer from time to time in writing.

**Customers Obligations**

- 3.0 During such period as the credit facility is in effect and thereafter until the Customer shall have paid all sums due to BA the Customer shall comply with the following provisions:
- 3.1 When making payment to BA, the Customer will ensure that remittance details are submitted immediately, either electronically or in hard copy format.
- 3.2 Within the time for payment under clause 2.1 hereof, the Customer shall provide full details in writing of any dispute or other reason for non-payment of any sum included in a Statement.
- 3.3 The Customer shall advise BA forthwith in writing of any change in ownership of 50% or more of the ordinary share capital of the Customer, any other change which materially affects the ownership or control of the Customer or its business and any change of registered name, address or additional address of the Customer.
- 3.4 Within 12 months of the end of each financial year of the Customer, the Customer shall provide BA, upon request, with a copy of the Customer's completed accounts for such financial period.

**Interest and payment provisions**

- 4.1 BA shall be entitled to charge interest at a rate of 3% above the United Kingdom base lending rate, as published by Barclays Bank Plc from time to time calculated on a daily basis against any receivables overdue for payment from the Customer (whether before or after judgement in a court of law) from the date when payment is due
- 4.2 Unless the Customer has complied with the provisions of clause 3.2 hereof all sums shown on a statement shall be conclusively deemed due owing to BA.
- 4.3 The Customer hereby irrevocably abandons any right to claim set-off against sums included in any Statement in respect of sums due from BA to the Customer on any other account. This provision shall be without prejudice to the Customer's right to make separate claim for such sums.
- 4.4 If sums paid by the Customer in respect of any Statement are less than the total due thereunder BA may apply such sum in such proportions and such order as BA shall determine.

### **Deposit**

- 5.1 The Customer will pay to BA a security deposit of an amount determined by BA in its absolute discretion. For the avoidance of doubt this deposit shall not be available for use by the Customer to pay sums due on monthly statements of account.
- 5.2 The deposit may be used by BA to pay any amount due in the event of a failure by the Customer to pay such amounts shown due on the monthly statements of account. Where the deposit has been used by BA to pay amounts due, the customer will immediately repay such sums as are necessary to restore the deposit to the amount referred to in clause 5.1.
- 5.3 Where the Customer has incurred any liability to BA whether under this agreement or otherwise and whether such liability is liquidated or unliquidated. BA may set off the amount of such liability against any sums that would otherwise be due to BA under this agreement.
- 5.4 On termination of the Credit Account and subject to the full and total discharge by the customer of all of its obligations under the relevant agreed service contract (including without limitation payment of all amounts due) BA shall release to the Customer within one calendar year the balance of the security deposit which has not been supplied by BA towards satisfaction of the amounts due.

### **Termination**

- 6.1 BA may forthwith (and without prejudice to any other right or remedy of BA) terminate the credit facility if:
  - 6.1.1 the Customer shall make or offer to make any arrangement or composition with or for the benefit of its creditors (including any voluntary arrangement as defined in the Insolvency Act 1986); or
  - 6.1.2 the Customer ceases or threatens to cease to carry on business or is or becomes unable to pay its debts (within the meaning of section 123 of the Insolvency Act 1986 where applicable) or commits any act of insolvency or bankruptcy; or
  - 6.1.3 a petition or resolution for the making of an administration order for the bankruptcy, winding-up or dissolution of the Customer (other than a winding-up for the purposes of reconstruction or amalgamation of a solvent company) is presented or passed; or
  - 6.1.4 the Customer files a voluntary petition in bankruptcy or insolvency; or

- 6.1.5 a supervisor, receiver, administrator, administrative receiver or other encumbrance takes possession of or is appointed over the whole or any part of the assets of the Customer or any analogous procedure is commenced in any other jurisdiction: or
- 6.1.6 the Customer commits any breach of its obligations hereunder.
- 6.2 BA may at any time, in its absolute discretion terminate, reduce or vary the credit facility granted to the Customer with immediate effect by notice in writing to the Customer. BA shall not be obliged to state any reasons for termination reduction or variation of the credit facility.
- 6.3 If the credit facility shall be terminated for any reason then:
  - 6.3.1 all charges, credits and other sums owing from the Customer to BA shall become due and payable forthwith; and
  - 6.3.2 the Customer shall not thereafter procure or attempt to procure any airline travel or other services from BA on credit.

**General**

- 7.1 Where the Customer consists of more than one person or company then their liability hereunder shall be joint and several. In construing this document the clause headings shall be ignored.
- 7.2 The credit facility is personal to the Customer and may not be assigned by the Customer.
- 7.3 The liability of the Customer hereunder shall not be affected by any waiver or indulgence granted by BA to the Customer from time to time.
- 7.4 This agreement shall be construed according to the law of England and Wales. The Customer shall submit to the non-exclusive jurisdiction of the courts of England and Wales and (in the case of a county Court) to the jurisdiction of the Uxbridge County Court.