

**AIRCRAFT CHARTER OPERATOR
MASTER AGREEMENT BETWEEN
BAYLOR UNIVERSITY
AND
[[Name (Primary Second Party)]]**

This Master Agreement for Aircraft Charter Operator, (“Agreement”) is between BAYLOR UNIVERSITY, a private, not-for-profit university, with its principal place of residence in Waco, Texas (“Baylor”), and [[Name (Primary Second Party)]] (“Operator”) and shall be effective as of [[Start Date]] (“Effective Date”), regardless of the date this Agreement is signed. (Baylor and Operator are each a “Party” and collectively, “Parties”.)

I. Notices. All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “Notice”) shall be in writing, sent by email, registered, or certified mail (return receipt requested, postage prepaid) or nationally recognized overnight courier (with all fees prepaid) to the name and addresses as set forth below. Questions concerning individual Charter Quotes should be addressed to the names and addresses on the corresponding Charter Quote. Notice is effective only if (a) the receiving party has received the Notice and (b) the party giving the Notice has complied with the requirements of this Section.

Name:	Baylor University, for its Department of [[Department]]
Contact:	[[Department Contact]]
Type of entity:	Texas Not-for-Profit Corporation
Address:	[[Department Address]]
E-mail:	[[Department Contact Email Address]]

Name:	[[Name (Primary Second Party)]]
Address:	[[Street Line 1 (Primary Second Party)]] [[City/Town (Primary Second Party)]], [[State/Province (Primary Second Party)]] [[Postal Code (Primary Second Party)]]
E-mail:	[[Second Party Contact Email Address]]

II. Term. The term of this Agreement will commence on the Effective Date and shall continue until [[End Date]], unless terminated earlier as provided herein (“Term”). The Term of this Agreement may not be extended except by mutual written agreement.

III. Services. Baylor retains Operator, as of the Effective Date, and Operator accepts such engagement, to perform the services, on the terms and conditions, and on the schedule of services as described in this Agreement (“Services”) for goods and valuable consideration, the receipt and sufficiency of which are acknowledged within this Master Agreement. Any additional description, or any additional Operator Terms and Conditions, if applicable, are attached as **Exhibit A – Signed Charter Quotes** incorporated by reference in the term of this Master Agreement. In case of conflict between Exhibit A, or the terms of this Master Agreement, the terms of this Master Agreement control.

Each Signed Charter Quote agreed to by both Parties and incorporated herein as Exhibit A shall include the following statement, “The Parties hereby agree to the terms of this Charter Quote under the terms of the Parties’ Aircraft Charter Operator Master Agreement Effective XXX.”

A. Summary/Description of Work: Operator shall provide to or arrange for Baylor the following Services, as requested or appropriate:

1. Schedule and arrange flight services. Operator is an approved FAA Part {} Operator with a dedicated lease/ownership of the aircraft identified in **Exhibit A** (“Aircraft”). All seats are exclusive for passengers with the additional identified Flight Attendant seat(s).
2. Additional services may include, as applicable: (i) passenger ground transportation; (ii) catering, and (iv) ground handling for domestic destinations and ancillary services.
3. Baylor will charter the aforementioned Aircraft from Operator for the flights set forth in the **Exhibit A- Signed Charter Quotes** during the term of this Master Agreement with an ARG/US Gold/Platinum rated flight crew of three (3) individuals consisting of one Pilot, one Co-Pilot and one Flight Attendant on each flight. Should the need arise to change Aircraft or crew after the trip itinerary is given to Baylor, Operator will continue to use only ARG/US Gold/Platinum rated aircraft and crew. A new itinerary will be sent to Baylor at the time the substitution is made. Baylor must approve the change in Aircraft and/or crew prior to the release of the Aircraft for dispatch.
4. Operator understands Baylor is chartering this flight to transport (i) Baylor’s student athletes to and from NCAA intercollegiate games, tournaments and competitions or (ii) members of Baylor’s staff and/or faculty to high priority events. This travel is extremely time sensitive, and delays which cause Baylor individuals to miss start times can result in forfeiture, which Operator acknowledges. **Operator is on notice that Baylor's primary concerns are safety and adequate, viable insurance for all aspects of the flights, including the crew, the equipment, and the maintenance.**
5. Baylor, as the Party chartering the flights under this Master Agreement is not and shall not be deemed the Operator/Air Carrier under any circumstances. **Operator may not assign its rights nor delegate its duties under the Master Agreement without express written consent of Baylor.**
6. **The Operator is obligated to obtain, provide, and disclose to Baylor all relevant information required by this Master Agreement, including those included in the Specification Provisions in Exhibit B.** Baylor’s duties under the Master Agreement shall be excused in their entirety if the Operator does not provide the required information in a timely manner that allows for Baylor to review and make other arrangements if necessary. Additionally, Baylor’s duties under the Master Agreement shall be excused in their entirety if the information that is provided is unsatisfactory in Baylor’s sole, reasonable discretion or does not meet the minimum requirements

set forth herein. As a result, if Baylor's duties are excused, no cancellation fee and no liquidated damage provisions shall apply, and Baylor would be entitled to a full refund as to any unearned payments.

7. Regardless of the contractual relationship between or among all the legal entities, the Operator is required to disclose the involvement of any other legal entity that is providing any part of the services promised to Baylor. As a result, the Operator must determine and disclose to Baylor the identity of all other legal entities that may be providing the equipment, crew, or maintenance. In addition, the Operator shall ensure that any other legal entities involved provide the information, insurance, and level of service as required by Baylor, including those items in **Exhibit B**.
8. Operator shall have exclusive direction and control over the Aircraft, its crew and passengers, and all cargo on board. Operator may refuse carriage of cargo, baggage, or luggage that, in its sole discretion: is improperly packaged; is not suitable for carriage; is hazardous/dangerous; exceeds the operational capacity of the aircraft; cannot be loaded within the allotted space; or cannot be transported in accordance with applicable laws and regulations.

B. Compliance. Operator shall comply with all applicable law, policies, and standards.

1. Operator shall provide the services outlined herein in accordance with the applicable Aeronautic Regulations of the U.S. Department of Transportation, 14 C.F.R. Part 208 and all other applicable laws, rules, and regulations governing the services provided. Additionally, Operator shall provide flight services that comply with minimum federal requirements or the Specification Provisions of this Master Agreement in **Exhibit B** regarding Pilots, Aircraft, Maintenance, and Operations, as well as Disclosure and Insurance Requirements, whichever provides a higher standard of safety for and financial protection to Baylor.
2. Part 121 and 125 Operators are required to be IOSA (IATA Operational Safety Audit Program) registered. Operator must provide proof of certificate and must be placed on IATA registry website.
3. Per TSA regulations, each passenger 18 years of age or older must present a valid government issued photo ID (driver's license or passport) to be allowed to board the Aircraft. Student IDs are not sufficient forms of government ID for boarding. Only Baylor-approved passengers shall be allowed to travel on any Baylor charter aircraft flight.
4. Operator understands that Baylor is a Christian institution of higher education affiliated with the Baptist General Convention of Texas. While on Baylor campus or performing Baylor Services, Operator shall refrain from conduct that would reflect poorly on Baylor's Christian witness, and not engage in profane or abusive, discriminatory, or lewd behavior or expression.
5. There is NO SMOKING OR ALCOHOL allowed on the aircraft chartered for team travel at any time.

- IV. Compensation.** Baylor will pay Operator for the Services to Baylor, as full compensation and fees, the following, unless the Agreement is terminated as provided herein. The final payment shall be invoiced and payable on or before the 30 days following termination of this Agreement:
- A. Charter Fee.** As full compensation for the Services hereunder, Baylor shall pay Operator in accordance with such terms set forth in the incorporated **Exhibit A Signed Charter Quote**.
 - B. Invoicing and Payment.**
 - 1. After completion of each flight in accordance with **Exhibit A Signed Charter Quote**, Operator will submit invoices via email to accounts_payable@baylor.edu referencing the Purchase Order number (ORDXXXX) issued.
 - 2. Baylor will not pay invoices without a Purchase Order number (ORDXXXX) referenced on the invoice. Invoices shall be paid by Baylor 30 days from the date properly submitted by Operator to accounts_payable@baylor.edu
 - C. Damages.** Baylor shall be responsible for all damages to the Aircraft interior during the term of this Master Agreement which is caused by the negligence or misconduct of Baylor, its employees, agents, or guests, excepting normal wear and tear. The cost to repair any such excessive damage will be invoiced separately to Baylor by Operator.
 - D. Fuel Price Increase:** In the event that jet fuel increases beyond the contract price or any fuel surcharge as set forth in the incorporated **Exhibit A Signed Charter Quote**, Operator shall bill Baylor, with the provision of full documentation, any and all excessive fuel cost after completion of the charter trip.
 - E. De-Icing.** In the event that Operator has to pay for removal of snow, sleet, rain, and other elements deemed required prior to moving/flying the Aircraft for flights as set forth in **Exhibit A**, these charges will be strictly limited to the departure and arrival cities of the flights specified in the itinerary or any deviation required by weather related issues from the flights specified on the itinerary. Operator shall bill Baylor, with the provision of full documentation, for all such excess costs after completion of the charter trip.
 - F. Other Additional Charges.** In the event Operator has to incur additional charges to provide the Service, Operator shall bill Baylor, with the provision of full documentation, for all additional charges after completion of the particular charter trip. Such additional charges may include, but are not limited to, flight phone usage, catering and special requests, etc.
- V. Cancellation.** All notices of cancellation must be in compliance with the requirements of Section I above. In the event that after the Charter Quote for a particular chartered trip is accepted, (1) the Master Agreement is voluntarily canceled by mutual agreement of the Parties or (2) the Master Agreement and/or Charter Quote is cancelled by Operator or Baylor due to Operator or any Operator Personnel being declared ineligible to provide such air transportation under the provisions of applicable government regulations, then all monies will be returned to Baylor without penalty or offset within five (5) business days of written notice of such cancellation.

VI. Cancellation of the Charter Quote.

- A.** Baylor will not be penalized or liable of any charges as follows:
 - 1. If a flight is cancelled due to weather conditions at any time prior to scheduled departure.
 - 2. If a flight is cancelled by Operator at any time prior to scheduled departure.
 - 3. If Baylor notifies Operator of cancellation at least forty-eight (48) hours prior to scheduled departure.
- B.** Baylor shall pay 50% of the Charter Quote if a flight is cancelled within forty eight (48) hours of scheduled departure.
- C.** Baylor shall pay 100% of the Charter Quote if a flight is cancelled within twenty four (24) hours of scheduled departure.

VII. Relationship of Parties. Operator is an Independent Operator. This Agreement shall not be construed to create any association, partnership, joint venture, employee, or agency relationship between Operator and Baylor for any purpose.

- A.** For all purposes, including but not limited to, the Federal Insurance Contributions Act, the Social Security Act, the Federal Unemployment Tax Act, income tax withholding, workers compensation law, and any and all similar laws and regulations of any other nation or jurisdiction which may otherwise apply, Operator, shall be treated as an independent Operator and not as an employee of Baylor. Any persons employed or engaged by Operator, to include but not limited to owners, officers, directors, members, managers, agents, employees, or sub-Operators (“Operator Personnel”) in connection with the performance of the Services shall be Operator’s employees or Operators and Operator is solely responsible for their compensation
- B.** Operator has no authority and shall not hold itself out as having authority to bind Baylor and Operator shall not make any agreements or representations on Baylor’s behalf without Baylor’s prior written consent. This provision applies to Operator and all of Operator’s employees, agents, or sub-Operators, or their employees or sub-Operators, if any.

VIII. Warranties

- A.** Operator represents and warrants that: (i) all of the Services will be performed in a professional and workmanlike manner and in conformity with best industry standards by persons reasonably suited by skill, training, and experience for the type of services they are assigned to perform; (ii) Operator shall devote sufficient resources to ensure that the Services are performed in a timely and reliable manner; (iii) Operator shall perform the Services in compliance with all applicable federal, state, and local laws and regulations; (iv) Operator has the right to enter into this Agreement and the ability and time to perform fully all of obligations in this Agreement; and (v) Operator’s performance of the Services do not and will not conflict with or result in any breach or default under any other agreement to which Operator is subject; Baylor will receive good and valid title to all Services, free and clear of all encumbrances and liens of any kind.
- B.** Disclaimer of Other Warranties. Except as expressly set forth in this Master Agreement, Operator has made no representations or warranties, express or implied, with respect to the

Aircraft provided, including any merchantability for any purpose. Baylor understands that Operator's ability to provide flights is based on a number of factors outside its control, including but not limited to weather, federal regulations, airspace restrictions and the like. Baylor conditionally agrees to hold Operator harmless from damages or alleged damages incurred by Baylor resulting from acts outside Operator's normal control.

IX. Information

- A. Confidential and Restricted Information, and Trade Secrets. Operator may receive from Baylor, or otherwise be exposed to, confidential and restricted information, or proprietary information and trade secrets relating to Baylor's operations, administration, academics, ongoing projects, research, finances, as well as confidential or restricted information of Baylor (collectively, "Confidential Information"). Operator will not reproduce or otherwise use any Confidential Information except in the performance of the Services, and will not disclose any Baylor Confidential Information in any form to any third party, either during or after the Term, except with Baylor's prior written consent. In addition, Operator will not disclose or otherwise make available to Baylor in any manner any confidential information of Operator or received by Operator from any third party. Confidential information does not include information that is otherwise generally available to the public other than through a breach of this agreement by Operator; or information that is provided to Operator by a third party with no confidentiality obligations with respect to such information. Operator agrees a violation of this paragraph is a material violation of this Agreement.
- B. Legally Required Disclosures. Nothing herein shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation, or order. Operator will provide written notice of any such order in accordance with the notice provision of this Agreement within three (3) calendar days of receiving such order, but in any event sufficiently in advance of making any disclosure to permit Baylor to contest the order or seek confidentiality protections, as determined in Baylor's sole discretion.
- C. Baylor Marks. Operator will not use any logos, names, service marks, trademarks, trade names, or other identifying names, domain names, or identifying marks of Baylor (the "Baylor Marks"), without in each case, the prior written consent of Baylor University, Baylor Collegiate Licensing at <https://www.baylor.edu/licensing/>. The use of any Baylor Marks must comply with Baylor's Graphic Standards and Brand Guidelines (see <https://www.baylor.edu/graphics/> and <https://www.baylor.edu/brand/>).

X. Indemnification and Insurance Requirements.

- A. Hold Harmless. To the extent allowable by law, each Party ("Indemnifying Party") shall indemnify, defend, and hold harmless the other Party ("Indemnified Party") and present and former affiliated or related persons or entities, to include but not limited to regents, officers, agents, employees, attorneys, servants, students, fiduciaries, insurers, representatives, and volunteers ("Other Indemnified Parties"), from, and against any and all suits, claims, actions, liabilities, damages, losses, or expenses (including court costs, reasonable attorneys' fees, and

costs of claim processing, investigation, and litigation) for any purpose in any way arising out of and in connection with the Indemnifying Party’s or Indemnifying Party’s Operator Personnel performance under this Agreement, to include but not limited to: (i) negligent or wrongful acts or omissions (ii) breach of any representation, warranty, or obligation under this Agreement, or (iii) failure to comply with any applicable law (collectively or individually “Claims”), except for claims arising out of the sole negligence or willful misconduct of the Indemnified Party or Other Indemnified Parties. This Section shall survive any termination or expiration of this Agreement for any reason.

B. Insurance Requirements.

- a. Operator shall provide Baylor with a Certificate of Insurance from the Part 121/135 operator/F.A.A. certificate holder and Named Insured evidencing aircraft liability insurance as to bodily injury and property damage, including passenger liability in an amount not less than the following minimum limits tied to seating capacity.

Liability Limits - * Seating Capacity includes crew

Seating Capacity	Minimum Limit
10 or less	\$100,000,000
11-18	\$200,000,000
19-30	\$300,000,000
31-125	\$500,000,000
126-185	\$750,000,000
186-250	\$1,000,000,000
251+	Prior approval is required by Baylor administration.

Such liability insurance shall include contractual liability, and airport premises liability in an amount not less than \$100,000,000 each occurrence bodily injury and property damage and personal injury in an amount not less than \$25,000,000 each offense, annual aggregate. Such insurance shall also include worker’s compensation insurance coverage at statutory limits and a Waiver of Subrogation clause in favor of Baylor University. All such policies shall include War & Allied Perils coverage, with third party coverage of no less than \$50,000,000 each occurrence, annual aggregate. A certificate of insurance acceptable to Baylor shall be issued to Baylor as evidence that policies providing the required coverages, conditions and limits are in full force and effect. Such certificate shall identify this Agreement and contain provisions that coverage afforded under the policies will not be canceled, terminated, reduced, or materially altered until at least sixty (60) days prior written notice has been given to Baylor.

- b. All necessary insurance policies are to be written with insurance companies rated A-VII or greater according to the AM Best rating organization and be placed on a worldwide basis with insurers of recognized reputation and responsibility in the aviation insurance industry and be satisfactory to Baylor. The policies above shall be endorsed to include Baylor University and Baylor University Board of Regents, their agents, officials, and employees as additional insureds, in a statement similar to the following: “Any and all aircraft utilized under the terms of this agreement with Baylor

University or its affiliates/subsidiaries whether owned by or operated on behalf of the named insured.” The policies above shall stipulate that the insurance afforded Operator and Baylor by the Part 121/135 operator/F.A.A. certificate holder and Named Insured shall be the primary insurance and that any insurance carried by Baylor University and Baylor University Board of Trustees, the agents, officials, or employees shall be excess and shall not contribute to that provided by Operator and the Part 121/135 operator/F.A.A. certificate holder and Named Insured. The policies shall include a Waiver of Subrogation Clause, a Cross Liability Clause, and a Severability of Interest Clause. Thus, each of the additional insureds shall have the same protection as would have been available had the policy(ies) been issued individually to each of them, except that this fact shall not in any event increase the Insurers’ total liability beyond the limits set forth in the policy(ies).

- c. Failure on the part of Operator to procure or maintain required insurance shall constitute a material breach of contract upon which Baylor may immediately terminate this Agreement.

XI. Default.

- A. Without Cause. Either Party may terminate this Agreement without cause upon at least **[[Termination Notice (days in advance)]]** days prior written notice to non-terminating Party. Termination shall be effective on the 14th day after notice is sent via the Notice requirements of this Agreement.
- B. Opportunity to Cure Prior to Default. If either Party believes the other Party has failed or is failing to comply with any of the terms of this Agreement and the matter can be cured, that Party shall notify the other Party of the details of the alleged failure in writing and provide the other Party 30 days (or such longer period as the other Party may authorize in writing) to cure any such alleged failure after receipt of written notice from the other. No notice to cure is required for matters which cannot be cured.
- C. Default. Baylor, by written notice, may terminate this Agreement for default, in whole or in part: if either Operator fails to comply with any of the terms of this Agreement including but not limited to any single failure by Operator to provide scheduled service; or if Operator fails to make progress as to endanger performance of this Agreement, or fails to provide adequate assurance of future performance. Operator, by written notice, may terminate this Agreement for default, in whole or in part if Baylor fails to comply with any of the terms of this Agreement or Operator, in its sole discretion, determines that transportation would be unsafe or in violation of any applicable law, rule or regulations.
- D. Upon Termination. Upon termination, Baylor will have no further obligations to Operator other than payment for Services rendered, less any amounts owed Baylor, in each case as of the effective date of termination. All provisions of this Agreement that anticipate performance after the termination of this Agreement, and all provisions necessary to interpret and enforce such provisions, will survive termination of this Agreement.

XII. Dispute Resolution. In the event of any dispute between the Parties arising out of any aspect of the Agreement, the Parties shall confer in good faith to resolve promptly such dispute. In the event

the Parties are unable to resolve a dispute, Operator agrees that any controversy or claim it may have against Baylor arising out of or relating to the construction, application, or enforcement of this Agreement, as well as any controversy or claim based upon the alleged breach of any legal right relating to or arising from Operator's work with or at Baylor, shall on written notice be submitted to non-binding mediation. After delivery of a written notice of request for mediation from one party to the other, the dispute shall be submitted to a single mediator chosen by the parties in McLennan County, Texas, unless mutually agreed otherwise. The Parties agree to pay their own attorney's fees.

XIII. Tax Exemption. Baylor is a Texas nonprofit, tax-exempt corporation and may be exempt from certain state taxes under various exemption statutes, including Texas Sales & Use Tax. Notwithstanding its exemption from certain state taxes, Baylor will be responsible for any taxes (except taxes on Broker's personnel, including personal income tax and social security taxes) from which Baylor is not exempt. Broker will provide reasonable cooperation and assistance to Baylor in obtaining any tax exemptions to which Charterer is entitled.

XIV. Miscellaneous Provisions.

- A. Non-Waiver. The failure of either Party to object to anything related to this Agreement or exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.
- B. Non-Discrimination. All Parties agree, consistent with Baylor policy, not to discriminate on the grounds of race, color, sex, national origin or citizenship status, age, disability, or veteran status and to provide reasonable accommodations to qualified individuals with disabilities upon request. Operator certifies and represents that in its performance it will comply with the provisions of all applicable federal, state and local laws, regulations, rules and orders. Any provision which is required to be a part of the Terms by virtue of any such law, regulation, rule or order is incorporated reference: including but not limited to Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 793); Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, as amended (38 U.S.C. 4212), and their respective implementing regulations at 41 CFR part 60; and Executive Order 13465 (Employment Eligibility Verification); and Executive Order 13496 (Employee Rights Under National Labor Relations Act).
- C. Assignment and/or Subcontracting. Operator may not assign any obligations, rights, nor duties, or subcontract any obligations, under this Agreement without the mutual, written consent of Baylor. Any assignment in violation of the foregoing shall be deemed null and void. This contract is binding on Operator's successors, assigns, subsidiaries, parent companies, merged companies, partners, acquired entities, acquiring entities, and affiliated entities.
- D. Legal Construction/Severability. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in the Agreement, and this Agreement shall remain in full force and

NAME: _____
TITLE: _____
DATE: _____

NAME: _____
TITLE: _____
DATE: _____

Attachments, if applicable:

- Exhibit A: Signed Charter Quote
- Exhibit B: Specification Provisions

EXHIBIT A
SIGNED CHARTER QUOTE

EXHIBIT B
SPECIFICATION PROVISIONS

Operator shall provide the following services and information requested. Baylor shall have the right to reasonably audit, or have a duly qualified representative audit, pertinent records of the Operator to assure compliance with all standards herein.

I. Pilots. Two Pilots shall be provided and shall have the following experience at a minimum:

1. Captain:

- i. Airline Transport Pilot rating with current first class medical type rating in aircraft type
- ii. Semi-annual training within last 12 months in the aircraft type at Flight Safety International, Simuflite Training International/CAE Aircraft Training Services PLC, or equivalent aircraft manufacturer' s training, which must include motion-based simulator training
- iii. Employment as full-time pilot with at least 3,000 hours total flying time
- iv. At least 2,000 hours flying time as Pilot in Command
- v. At least 100 hours total flying time in aircraft type
- vi. At least 100 hours flying time as Pilot in Command in aircraft type
- vii. At least 20 hours total flying time in aircraft type in the 90 days preceding scheduled flight
- viii. At least three instrument approaches and three-night landings in the 90 days preceding scheduled flight

2. Co-Pilot:

- i. Commercial Pilot Certificate with a current second class medical with multi-engine and instrument ratings
- ii. Semi-annual training within the last 12 months in the aircraft type at Flight Safety International, Simuflite Training International/CAE Aircraft Training Services plc, or equivalent aircraft manufacturer' s training, which must include motion-based simulator training
- iii. Employment as full - time pilot with at least 1,500 hours total flying time
- iv. At least 500 hours flying time as Pilot in Command
- v. At least 100 hours total flying time in aircraft type
- vi. At least ten hours total flying time in aircraft type in the 90 days preceding scheduled flight
- vii. At least three instrument approaches and three-night landings in the 90 days preceding scheduled flight

II. Aircraft Operations. The operation of the aircraft must meet at least the following:

1. Trips are managed to ensure CAR compliance as well as fatigue reduction as outlined in FAR Part 135: Subpart F. The Operators' scheduling systems track flight and duty times for pilots and flight attendants (if applicable). Operators avoid pairing inexperienced first officers with new captains.
2. Management closely monitors the scheduling process to evaluate risks, assess the experience level of crews, and ensure the proper pairing of crewmembers.
3. All aircraft must be powered by two or more engines, whether propeller or jet driven, and certified for flights in known icing conditions.
4. On all aircraft with a gross maximum takeoff weight of 12,500 pounds or less, weight and balance computations using average passengers' weights are prohibited. A weight and balance form must be completed using actual weight figures for passengers and baggage.
5. Overweight and out-of-center of gravity operations are prohibited.
6. No aircraft shall depart into forecast hazardous weather conditions, such as severe icing, thunderstorms, or severe turbulence or wind shear. Aircraft are hangered whenever possible during such.
7. Flights shall be conducted on an instrument flight plan. No circling instrument approaches shall be authorized with ceilings less than 1,000 feet and at least three miles visibility.
8. Aircraft is free from contamination; procedures and instructions pertaining to servicing, handling, and storing fuel and oil meet safety standards.

9. Procedures for monitoring and verifying vendor servicing practices are included in this program.
10. No passengers may enter the cockpit or distract pilots when the aircraft is below 10,000 feet, on takeoff, or on landing operations. No aircraft may be piloted by any passenger.
11. All flight operations shall be conducted in accordance with all relevant FAA regulations and insurance requirements, whichever are stricter.
12. The Contractor shall notify Baylor University at 254-710-2222 in the event of any incident or accident relating to operations of the aircraft.

III. Maintenance. Maintenance on the aircraft used must meet the following minimums:

1. Maintenance personnel (or at least the person signing the logbooks) must be appropriately certified and be trained to maintain the aircraft type to be used by either Flight Safety International, Simuflite Training International/CAE Aircraft Training Services plc or the OEM (original equipment manufacturer) within the last five years.
2. Hire and train the number of employees that would be reasonably required to safely maintain the company aircraft and support the scope of the maintenance operation both at home station and at enroute locations, ensuring that all tasks, including required inspections and airworthiness directives, are performed. Orientation, familiarization, on-the-job, and appropriate initial and recurrent training, including aircraft familiarization systems, and specific duties related to avionics and power plant, for all full and part-time personnel is expected.
3. Inspection and maintenance must be performed by the operator's maintenance organization, an appropriately rated Federal Aviation Administration certified repair station, the manufacturer, or a manufacturer authorized service center. Deferred maintenance actions are identified to supervisory personnel and corrected in accordance with the criteria provided by the manufacturer or CAR.
4. Mechanics must be fit for duty, properly certified with the company's certification and knowledgeable of the necessary aircraft-specific requirements to accomplish the tasks. Non-certified and inexperienced personnel must receive supervision from individuals compliant with FAR Part 43.3. Maintenance supervisors ensure that, in spite of scheduling pressure, supervisory pressure, or other factors, the aircraft is airworthy prior to flight.
5. Such records as aircraft logbooks, maintenance manuals, and maintenance documentation are legibly prepared, dated, clean, readily identifiable, and maintained in an orderly fashion as either hard copy or electronic. Management policies, lines of authority, and company maintenance procedures are documented in company manuals and kept in a current status.
6. Operator will employ a quality assurance/control program that: (i) continually analyzes the performance and effectiveness of maintenance activities and inspection programs; and (ii) evaluates the following functions: reliability reports, audits, component tear-down reports, inspection procedures and results, tool calibration program, real-time aircraft maintenance actions, warranty programs, and other maintenance functions. The extent of this program is directly related to the operator's size and scope of operation.
7. Maintenance actions must be properly documented, and discrepancies identified between inspections corrected, researched, and eliminated. Action is taken to prevent recurrence of these discrepancies and preventive actions are monitored to ensure effectiveness.
8. Trainers/Supervisors are to be fully qualified in the subject matter, as evidenced by holding an A&P (Airframe and Power plant) license. Specifically, this applies to FAR Part 43, Subparts: 43.3 and 43.7. Training documentation is required and must be current, complete, well-maintained, and correctly identifies any special authorizations such as inspection and airworthiness release.
9. Freedom from alcohol and drug abuse is required as outlined in FAA FAR Part 120 – Drug and Alcohol Testing Program.

IV. Required Operations Audit Results - Management

1. Compliance with all policies, procedures and goals outlined by FAA/CAA in Federal Aviation Regulations (FAR) Part 135. A cooperative response, indicating a reasonable effort of the operator to meet but generally exceed minimum requirements set forth in the FAR, to FAA/CAA

inspections, compliance with all policies, procedures and goals outlined by critiques, or comments should be demonstrated. Baylor, as a customer of air transportation and operational support services, expects air carriers to employ programs and business practices to ensure good service but also enhance the safety, operational, and maintenance standards of applicable CAA regulations.

2. Support infrastructure should be provided at operator's primary facility and enroute stations, including: facilities, equipment, parts, and qualified personnel. Personnel with prior aviation-related management experience must fill key management positions.
3. A documented internal quality audit program or other method capable of identifying in-house deficiencies, measuring company's compliance with their stated policies and standards, and audit results should be analyzed in order to determine the cause, not just the symptom, of any deficiency.
4. Operator will maintain updated Emergency Response Plans that outline roles in an emergency.

V. Aircrew Training

1. The frequency of Crew Resource Management (CRM) training is sufficient to ensure that the operator meets all FAR (all parts) from Title 14 and Code 49 of Federal Regulations.
2. An approved motion-based simulator training course is required for PICs (Pilot in Command) and SICs (Second in Command) at least annually in each aircraft type in which they maintain currency.
3. Flight and cabin crews have jet recurrent training as mandated in Federal Aviation Regulations 135.295 and 135.297 respectively (if applicable).
4. Records of training are current and audited by operations management, showing immediate updates after any session conducted internally and/or by external entities that serves the purpose of verifying and/or adding job specific skills. Each update records the date, length, instructors, and specific job related skills covered. Acceptable standards for each record determined by compliance with all FAR Parts from Titles 14 and 49 Code of Federal Regulations.

VI. Information Provided for each Flight and/or Charter Quote. Operator shall ensure the following is provided to Baylor regarding itself and any legal entity involved in the provision of services:

1. The FAA Air Carrier Certificate;
2. Type and registration number of aircraft authorized;
3. FAA Flight Standards District Office and Telephone Number;
4. Name of FAA Principal Operations Inspector;
5. Summary of any accidents, Incidents, or Enforcement Actions in last five years or currently pending;
6. ARG/US, Wyvern Aviation or Flight Safety Foundation Consultant's report (unless Operator is certified and providing service under Part 121 of the FAA regulations-14 C.F.R. Part 121);
7. Telephone Number and 24 hour Contact Point, or Flight Following Contact Point
8. A fully "green" ARG/US TripCHEQ Gold or Platinum level (Platinum preferred) or Wingman Wyvern report for the particular flight(s) (unless Operator is certified and providing Service under FAA Regulations Part 121-14 C.F.R. Part 121).

Baylor's duties under the Master Agreement shall be excused in their entirety if the Operator does not provide the required information in a timely manner that allows for Baylor to review and make other arrangements if necessary. Additionally, Baylor's duties under the Master Agreement shall be excused in their entirety if the information that is provided is unsatisfactory in Baylor's sole, reasonable discretion or does not meet the minimum requirements set forth herein. As a result, if Baylor's duties are excused, no cancellation fee and no liquidated damage provisions shall apply, and Baylor would be entitled to a full refund as to any unearned payments.