

**CONTRACT AGREEMENT
AND
GENERAL CONDITIONS OF CONTRACT**

PROVISION OF PILOT SERVICES

FOR

**ROYAL CAYMAN ISLANDS POLICE SERVICE
AIR OPERATIONS UNIT**

<NAME OF CONTRACTOR>

Contract No.: RCIPS-AOU C10/002

Date: TBA

Royal Cayman Islands Police Service
Air Operations Unit
PO Box 909,
Grand Cayman, KY1-1004
CAYMAN ISLANDS

CONTRACT: PROVISION OF PILOT SERVICES

CONTENTS	PAGE
Contract Agreement	3
General Conditions of Contract	5
Schedule #1 Pilot Services	26
Schedule #2: Payment of Contract Fee and Charges.	36
Schedule #3 Contractor's Implementation Plan.	37
Schedule #4 Draft Letter of Acceptance and Notification of Acceptance	39

CONTRACT: PROVISION OF PILOT SERVICES

CONTRACT AGREEMENT for provision of Pilot Services

CONTRACT NO: RCIPS-AOU C10/002
FOR: Provision of Pilot Services
TO: Air Operations Unit, Royal Cayman Islands Police Service
AT: George Town, Grand Cayman, Cayman Islands

THIS AGREEMENT is made theday of **2010** between **The Government of the Cayman Islands** of the Government Administration Building, Elgin Avenue, Grand Cayman KYI-9000 Cayman Islands acting herein and represented by the Royal Cayman Islands Police Service (hereinafter referred to as the “Employer”) of the One Part and **<Name of Service Provider>** having its registered office at <address> (hereinafter referred to as the “Contractor”) of the Other Part

WHEREAS

1. The Employer wishes to engage the services of the Contractor to provide Pilot Services and other support services to the Air Operations Unit of the Royal Cayman Islands Police Service in George Town, Grand Cayman, Cayman Islands; and
2. The Contractor has agreed to provide the said services upon the terms and conditions set out below:

NOW THEREFORE IT IS AGREED as follows:-

The Agreement

This Agreement incorporates the Tender dated **<date>**; the General Conditions of Contract, version Legal approved **<date>** the First, Second and Third Schedules attached to the General Conditions of Contract; the Government’s Letter of Acceptance dated **<date>** and the Contractor’s Notification of Acceptance dated **<date>** copies of which are annexed hereto and have been signed for identification purposes by or on behalf of the Employer and the Contractor.

Any disputes, differences or questions arising out of or relating to the Contract shall be resolved in accordance with condition 28 of the General Conditions of Contract.

Warranty as to authority

Each party to this Agreement warrants that the undersigned have obtained all requisite authority and permissions to enter into this Agreement.

CONTRACT: PROVISION OF PILOT SERVICES

IN WITNESS whereof the parties have executed this Agreement in duplicate on the date first stated above.

Signed by **Royal Cayman Islands Police Service**
for and on behalf of the
Government of the Cayman Islands

.....
.....
[Print Name]

In the presence of

.....
[Witness's Signature]

.....
[Print Name of Witness]

.....
Date of Witness Signature

AND

Signed by
for and on behalf of
<Name of Service Provider>.

.....
.....
[Print Name]

In the presence of

.....
[Witness's Signature]

.....
[Print Name of Witness]

.....
Date of Witness Signature

End

CONTRACT: PROVISION OF PILOT SERVICES

GENERAL CONDITIONS OF CONTRACT

LEGAL Version: 20 November 2009

INDEX OF CLAUSES

- 1 INTERPRETATION
- 2 THE SERVICES
- 3 TERM
- 4 PAYMENT TO CONTRACTOR
- 5 PROVISION OF STAFF
- 6. NON-DELIVERY OF SERVICES
- 7 LICENCES AND PERMITS
- 8 MONITORING AND LIAISON MEETINGS
- 9 ACCESS TO EMPLOYER’S PREMISES
- 10 SECURITY CLEARANCE
- 11 EXTRA-CONTRACTUAL SERVICES
- 12 USE OF EMPLOYER’S MATERIALS
- 13 INTELLECTUAL PROPERTY RIGHTS
- 14 AUDIT
- 15 INSURANCE
 - 15.1 Insurance provided by Contractor
 - 15.2 Insurance provided by Employer
 - 15.5 Certificates of Insurance
- 16 HEALTH AND SAFETY

CONTRACT: PROVISION OF PILOT SERVICES

- 17 INDEPENDENT CONTRACTOR
- 18 INDEMNITY
 - 18.3 Indemnification Procedures
 - 18.4 Subrogation
- 19 CONFIDENTIALITY
- 20 PUBLICITY
- 21 WARRANTIES AND REPRESENTATIONS
- 22 ASSIGNMENT AND SUB-CONTRACTING
- 23 RECOVERY OF SUMS DUE
- 24 DEFAULT OF CONTRACTOR
- 25 CORRUPTION
- 26 TERMINATION
 - 26.1 Termination on Default/Bankruptcy of Contractor
 - 26.2 Termination on Default of Payment by Employer
 - 26.3 Termination without cause
 - 26.4 Effect of Termination
- 27 FORCE MAJEURE
- 28 DISPUTE RESOLUTION
 - 28.1 Negotiations
 - 28.3 Arbitration
- 29 REMEDIES CUMULATIVE
- 30 THIRD PARTY RIGHTS
- 31 NOTICES

CONTRACT: PROVISION OF PILOT SERVICES

- 32 WAIVER
- 33 MODIFICATIONS
- 34 SEVERABILITY
- 35 ENTIRE AGREEMENT
- 36 CHOICE OF LAW

SCHEDULES

These following Schedules are attached to the General Conditions of Contract:

- Schedule #1 Pilot Services.
- Schedule #2: Payment of Contract Fee & Charges.
- Schedule #3 Contractor's Implementation Plan.
- Schedule #4 Draft Letter of Acceptance and Notification of Acceptance

CONTRACT: PROVISION OF PILOT SERVICES

GENERAL CONDITIONS OF CONTRACT**1. INTERPRETATION**

1. In these Conditions and Schedules (unless the context otherwise requires):

- (a) "AOU" means the RCIPS Air Operations Unit;
- (b) "Aircraft" means the Employer's Eurocopter EC135T1 helicopter serial No. 0107 registration marks VP-CPS powered by two Turbomeca Arrius 2B1A engines serial No(s) 30089 and 30101 and any other aircraft that the Employer may acquire from time to time and which shall be subject to the General Conditions;
- (b) "CAA" means Civil Aviation Authority of the Cayman Islands;
- (c) "Commencement Date" means the date stated in the Contract for commencement of the Services as adjusted by any extensions or aberrations;
- (d) "Commissioner" means the Commissioner of Police of the RCIPS;
- (e) "Contract" means the executed Contract Agreement between the Government and the Contractor including all documents, appendices, schedules and attachments referred to therein recording the terms and conditions of the contract together with such other documents which the parties have agreed in writing shall form part of the Contract and such variations, modifications or amendments to the Contract as may be agreed in writing;
- (f) "Contract Fee" means the sum payable by the Employer to the Contractor for the provision of the Services in accordance with the Contract;
- (g) "Contractor" means the natural or juristic person or partnership whose tender has been accepted by the Government including its servants, agents, officers or employees and where applicable, includes the Contractor's legal personal representatives or permitted assignees where the consent of the Government has been obtained;
- (h) "Duty Pilot" means any Pilot rostered to fly the Aircraft as part of the AOU crew on contracted duty days;
- (j). "Employer" means the Government acting herein and represented by the Royal Cayman Islands Police Service
- (k) "Flying Time" means those times during which the Aircraft is airborne upon such flights as required by the UEO;
- (l) "General Conditions" means these General Conditions of Contract and all Schedules, appendices and annexes attached thereto;
- (m) "Government" means the Government of the Cayman Islands;

CONTRACT: PROVISION OF PILOT SERVICES

- (n) "Month" means calendar month;
 - (o) "Pilots" means the Pilots to be provided by the Contractor for delivery of the Pilot Services and who meet the requirements of Schedule 1 Part B;
 - (p) "Pilot Services" means the duties to be performed by the Pilots recruited and employed by the Contractor for the purpose of this Contract;
 - (q) "Premises" means any premises or part thereof controlled by the RCIPS AOU, including any premises to which the AOU have access for the purpose of the Contract.
 - (r) "Project Manager" means the officer of the AOU or any other officer duly authorised by the Commissioner for the purposes of this Contract;
 - (s) "RCIPS" means the Royal Cayman Islands Police Service acting for and on behalf of the Government;
 - (t) "Services" means the work to be performed by and the other obligations of the Contractor as specified in the Contract and more particularly described in Schedules 1 to 3 hereto, and includes the production of all data, reports, drawings, specifications, designs, inventions, plans, programs or other material required for the performance of the Services;
 - (u) "Tender" means the Tender dated _____ and submitted by the Contractor pursuant to the Tender Invitation;
2. The headings in these Conditions shall not be deemed to be part thereof nor be taken into consideration in the interpretation or construction thereof, or of the Contract.
3. Any reference to legislation shall be deemed to include a reference to any amendment or re-enactment thereof for the time being in force.
4. Words and expressions used in these Conditions importing the masculine gender shall include the feminine gender.
- 2. THE SERVICES**
- 2.1. The Contractor shall supply the Services specified in Schedule 1 herein in accordance with these General Conditions.
- 2.2. The Contractor shall undertake the Services with reasonable skill, care and diligence, and the Employer at all times shall rely on the skill and judgement of the Contractor in the performance and delivery of the Services.
- 2.3. The Services shall conform in all respects with the requirements of any statutes, orders or regulations from time to time in force in the Cayman Islands including any national or international standards or Codes of Practice recognised and accepted by the CAA.

CONTRACT: PROVISION OF PILOT SERVICES

- 2.4 The Services provided shall be to a level of competence compliant with the codes of practice and specifications for the aviation industry and in particular that of the CAA.
- 2.5 The time of delivery of the Services shall be of the essence to the Contract. In the event that the Contractor fails to deliver the Services in accordance with the Contract, without prejudice to any other rights arising herein the Employer shall have the right to make alternative arrangements for completion of the Services. The cost of any alternative arrangements shall be charged to the Contractor together with any associated administrative expenses.

2.6 Implementation Plan

Prior to the provision of the Services and in any event no later than two (2) days after the Commencement Date, the Contractor will provide the RCIPS with an Implementation Plan in conformity with the format set out in Schedule 3 hereto, subject to such modifications as may be required to provide the RCIPS with any other information required for the provision of the Services under this Contract.

2.7 Variation of the Services

- 2.7.1 The Employer reserves the right to modify the scope of the Services (including but not limited to the removal of Services, the addition of new Services, varying the order in which the Services are to be performed or the locations where the Services are to be provided) for any reason whatsoever. Such a modification is hereinafter called "a Variation".
- 2.7.2 Any Variation shall be communicated in writing by the Project Manager to the Contractor's representative in accordance with the notice provisions of General Condition 31. All Variations shall be in the form of an addendum to the Contract.
- 2.7.3 The Contract Fee shall be adjusted accordingly where any Variation results in a change to the Contract Fee, and the Contractor shall provide such information as may be reasonably required to enable such change to the Contract Fee to be calculated.

3. TERM

- 3.1 The Contract shall be for an initial term not exceeding two (2) years and six (6) weeks.
- 3.1.1 The Commencement Date shall be the day after execution of the Contract.
- 3.1.2. The Contractor shall begin provision of the Pilot Services to the RCIPS no later than 6 weeks after the Commencement Date in accordance with the Implementation Plan referred to in Condition 2.6 herein.
- 3.1.3. Where the Contractor has provided the Implementation Plan, the parties may agree in writing that provision of the Pilot Services shall commence at an earlier date than that referred to in Condition 3.1.2 above. In such a case, the Contractor shall invoice the Employer for such Pilot Services provided in accordance with Condition 4 herein.

CONTRACT: PROVISION OF PILOT SERVICES

3.2 The Contract may be renewed by the parties prior to its expiration for a further period not exceeding two (2) years at the rates defined under Schedule 2.

4. PAYMENT TO CONTRACTOR

4.1 In consideration of the provision of the Services in accordance with the terms of these General Conditions, the Employer shall pay the Contract Fee set out in Schedule 2 in accordance with the procedures for payment herein.

4.2 Invoices for the Services will be sent to the AOU monthly in arrears with payment due within 30 days of the date that the invoice is agreed by the AOU. Invoices for additional services such as Additional Pilot Cover, shall be sent on completion of the duty with payment due within 30 days of the date that the invoice is agreed by the AOU. All invoices required under Clause 4 shall be issued in accordance with the provisions of Clause 31 herein.

4.4 Payment will normally be made by the Government within 30 to 60 days of receipt of acceptance of the services provided always that the invoice is correct. Failure to pay within 30 to 60 days shall not constitute a fundamental breach of contract.

4.5 The Contract Fee specified in Schedule 2 shall constitute the full compensation payable to the Contractor for the Services and shall include, unless otherwise expressly stated, all costs, taxes, duties, fees or charges of any kind whatsoever incurred by the Contractor in respect of the Services to be provided.

5. PROVISION OF STAFF

5.1 The Contractor shall provide the Pilots identified in, and in accordance with the procedures set out in Schedule 1, Part B and shall ensure that such Pilots are suitably qualified for the Pilot Services and meet the requirements of the Contract.

5.2 The Contractor shall provide the AOU with the names and addresses of all Pilots required for the delivery of the Pilot Services together with such other particulars and evidence of identity as the Employer may reasonably require.

5.3 The Contractor shall not release any Pilots from providing the Pilot Services without the prior agreement of the AOU, except by reason of long-term sickness, termination of employment with the Contractor or upon the reasonable direction of the RCIPS for any reason including health, safety, security or the public interest.

5.4 All leave intended to be taken by any Pilot and details of any temporary replacement Pilot to be provided shall be agreed with the AOU not less than 48 hours in advance of the taking of such leave or providing a replacement Pilot. In the event of sickness or other unapproved absence of a Pilot the Contractor shall, unless otherwise agreed with the AOU, use its best efforts to provide as soon as possible a replacement Pilot within 12 hours of such notification and in any event no later than 24 hours of such notification.

CONTRACT: PROVISION OF PILOT SERVICES

5.5 The Contractor shall ensure that all replacement Pilots meet the requirements and qualifications set out in Schedule 1.

6. NON-DELIVERY OF SERVICES

6.1 Where the Contractor fails to provide the Pilot Services in accordance with General Condition 3.1.2 the Contractor shall pay the Employer a non-delivery fee of CI \$600.00 per day for each day until the commencement of the Pilot Services required under the Contract.

6.2 Where no Pilot reports for duty on any Duty Day, the Contractor shall pay the Employer a non-delivery fee of CI \$600.00 for each Duty Day for which there is no Pilot.

7. LICENCES AND PERMITS

If performance of the Contract requires any licences or other permits, it shall be responsibility of the Contractor to ensure that such licences in sufficient time to facilitate provision of the Services in accordance with the Contract and the cost of such licences shall be borne solely by the Contractor.

8. MONITORING AND LIAISON MEETINGS

8.1 The Contractor shall prepare such reports as may be required from time to time by the AOU. The content, format and frequency of such reports shall be determined by the AOU.

8.2 The Contractor shall, having regard to the specifications of the Services, issue appropriate operating and procedural instructions in writing to all Pilots engaged by him for the purpose of the Contract and copies of such instructions (and any amendments, modifications or revocation of such instructions) shall be provided to the AOU within five (5) days of the AOU's request.

8.3 The Contractor shall maintain such records in respect of the Contract as the RCIPS may reasonably require and shall on request produce them for inspection by the RCIPS and/or the RCIPS's authorised third party. Otherwise, such records shall not be released, published or disposed of without prior written approval of the RCIPS.

8.4 Liaison meetings between the Employer and the Contractor shall be held as required by the Employer or the Contractor. A record of all meetings shall be made by the Employer and shall be provided to the Contractor.

9. ACCESS TO EMPLOYER'S PREMISES

9.1 The Contractor and Pilots shall have access to the Premises for the purpose of carrying out any part of the Services and the AOU shall provide them with such security passes (including passwords and swipe cards) as may be required for such access. The Contractor shall be responsible for keeping any security passes safe and ensuring that only authorised persons have the possession and use of same.

CONTRACT: PROVISION OF PILOT SERVICES

- 9.2 The Contractor shall take the steps reasonably required by the Employer to prevent unauthorised persons from entering or being admitted to the Premises. If the AOU gives the Contractor notice that any person is not to be admitted to or is to be removed from the Premises or is not to become involved in or is to be removed from provision of the Pilot Services, the Contractor shall take all reasonable steps to comply with such notice immediately.
- 9.3 The decision of the RCIPS as to whether any person is to be admitted to or removed from the Premises or is not to become involved in or is to be removed from provision of the Services and as to whether the Contractor has taken the steps required of him by this Condition shall be final and conclusive.
- 9.4 In the event the Contractor discovers or is notified of an actual or potential breach of security involving unauthorised access to the Premises, the Contractor will immediately notify the RCIPS and will cooperate fully with the RCIPS and its designees in any investigation or action relating to such breach or potential breach.
- 9.5 The Contractor shall bear the cost of giving effect to any notice, instruction or decision of the RCIPS under this Condition.

10. SECURITY CLEARANCE

All person employed by the Contractor for the performance of the Contractor's obligations under this Contract may be subject to a security clearance at any time and the Contractor shall provide such information as the Employer may require for the purpose of carrying out such security clearance. In the event that any of the employees of the Contractor fails to pass any security clearance as required by the RCIPS, the Contractor shall remove the individual from the Premises and provision of the Services immediately upon notification from the RCIPS. The Contractor shall be solely responsible for any expenses incurred as a result of removing any personnel in accordance with this clause.

11. EXTRA-CONTRACTUAL SERVICES

The Contractor shall not perform any other services howsoever instructed or requested other than those specified in the Contract, without the prior written consent of the Employer. Any services carried out without the RCIPS's prior approval shall be undertaken entirely at the Contractor's own risk and expense and the RCIPS shall not be liable in any respect for any such work, including without limitation any loss, injury, damage, expense, claim or proceedings arising out of such work and howsoever caused.

12. USE OF EMPLOYER'S MATERIALS

- 12.1 Any material (in any medium) or equipment supplied by the Employer to the Contractor for use in the Contract shall only be used for this purpose and shall not be re-allocated to any other work whatsoever without the Employer's prior written consent.
- 12.2 All material or equipment so supplied shall remain the property of the Employer and the Contractor shall at all times and places until completion of the Contract, exercise due care and diligence to keep and maintain such material and equipment safe and in proper working condition.

CONTRACT: PROVISION OF PILOT SERVICES

- 12.3 The Contractor shall be liable for any loss or damage to such material and equipment (howsoever caused) while in the Contractor's custody.
- 12.4 All material or equipment supplied to the Contractor as provided herein shall be returned forthwith to the Employer upon expiration or termination of this Contract.

13. INTELLECTUAL PROPERTY RIGHTS

- 13.1 All title, intellectual property rights, and ownership in and to any information and material produced by the Employer for any purpose of this Contract including but not limited to any titles, logos, themes, objects, characters, artwork, animation, sounds, methods of operation incorporated into the information or material, records, documents and papers prepared and maintained by the Contractor and any Pilot for the purpose of this Contract and any other rights not specifically granted herein are owned by the Employer and protected by the intellectual property laws of the Cayman Islands and international copyright treaties and conventions. The Contractor hereby agrees that it will notify the Employer immediately if it becomes aware of any actual or potential infringement of the Employer's copyright.
- 13.2 To the extent any trade names, trademarks or other proprietary marks of third parties ("Third Party marks") are incorporated into any component of the Employer's information or material, the Contractor agrees that such Third Party marks are the intellectual property of such third parties.

14. AUDIT

- 14.1 The Contractor shall keep and maintain until seven (7) years after completion of the Contract records to the satisfaction of the RCIPS of all expenditures which are reimbursable by the RCIPS and of the hours worked and costs incurred by the Contractor or any staff of the Contractor paid for by the RCIPS on a time charge basis. The Contractor shall on the request of the RCIPS afford the RCIPS such access to those records and to make copies of such records.
- 14.2 The Contractor shall grant to the Employer, its auditors and their respective authorised agents, the right of reasonable access to the records and/or any sites and/or materials where such records may be located and shall provide all reasonable assistance at all times during the period referred to in General Condition 14.1 for the purposes of carrying out an audit of the Contractor's compliance with this Contract including all activities, the calculation of charges in accordance with the terms of the Contract, and the performance, security and integrity connected therewith.

15. INSURANCE**Insurance provided by Contractor**

- 15.1 During the Term and any extension thereof, the Contractor shall at its sole expense, effect and maintain with a reputable insurance company that is currently rated A- by AM Best policies of insurance for the following:

CONTRACT: PROVISION OF PILOT SERVICES

(i) Public liability (airside and landside) insurance in an amount no less than CI \$2,000,000 per occurrence and CI \$2,000,000 in the annual aggregate. The Employer shall be named as an additional insured on this policy of insurance

(ii) Employers' liability and Workmen's Compensation insurance in respect of persons in the Contractor's employment, apprenticeship or internship. The limits in respect of Employers' Liability insurance shall be CI \$1,500,000 per occurrence and CI \$3,000,000 in the annual aggregate. With respect to Workmen's Compensation insurance, the limits shall be dictated in accordance with the Workmen's Compensation Law of the Cayman Islands; and

(iii) Passenger liability insurance in the amount of CI \$1,000,000 in respect to any one or series of claims arising out of one event and in respect of which the insured's retained liability shall not exceed CI \$2,000. This policy of insurance shall be deemed primary to coverage secured by the Employer and shall name the Employer as an additional insured.

Insurance provided by Employer

15.2 During the Term and any extension thereof the Employer shall, at its sole expense, provide and maintain with a reputable insurance company policies of insurance for the following:

(i) Aviation Hull insurance in such amount as it deems appropriate;

(ii) Where the Employer is responsible for providing the Aircraft that is to be flown by the Contractor's Pilots aviation third party liability insurance for a combined single limit of not less than CI \$30,000,000 for any one accident or occurrence for the Aircraft. Such insurance shall include a crew and passenger personal accident policy as well as the write back of the war hijacking and other perils exclusion clause AV 48B excluding paragraph B. Where the Employer is responsible for providing aviation liability insurance, the Contractor shall be named as additional insured. The policy shall include a severability of interest clause and shall provide that the policy shall be primary and without right of contribution from any other insurance which may be available to the additional insured.

(iii) Passenger liability insurance on a per seat basis in the amount of CI \$100,000 per person. Such insurance shall be deemed to be in excess of the insurance effected and maintained by the Contractor pursuant to General Condition 15.1(iii).

(iv) Employer's liability and Workmen's Compensation insurance in respect of the Employer's servants, agents and officers. Such policies of insurance shall not apply to the employees, servants, agents and sub-contractors of the Contractor.

15.3 AVN 74 Condition shall apply to the policy of insurance which provides cover to Pilots as if they were named in the policy of insurance as additional insured persons.

Certificates of Insurance

15.4 Either party shall furnish to the other certificates of insurance (including evidence of renewal of insurance) evidencing coverage in accordance with General Condition 15. Each party will be required to give ten (10) days' notice to the other party prior to coverage cancellation or material alteration of the

CONTRACT: PROVISION OF PILOT SERVICES

coverage. However, in no event shall such cancellation or alteration relieve either party of its continuing obligation to maintain insurance coverage in accordance with the said Condition.

16. HEALTH AND SAFETY AT WORK

- 16.1 The Contractor represents and warrants that the Contractor has satisfied himself that all necessary tests and examinations have been made or will be made prior to delivery of the Services to ensure that the Services will be provided without risk to the health or safety of persons providing and receiving the same, and that he has made available to the RCIPS adequate information about the Services and about any conditions necessary to ensure that when performed the Services will be safe and without risk to health.
- 16.2 The Contractor shall promptly notify the RCIPS of any health and safety hazards which may arise in connection with the performance of the Contract. The RCIPS shall promptly notify the Contractor of any health and safety hazards which may exist or arise at the Premises and which may affect the Contractor in the performance of the Contract.
- 16.3 While on the Premises, the Contractor shall comply with any health and safety measures implemented by the RCIPS in respect of staff and other persons working on those Premises.
- 16.4 The Contractor shall notify the RCIPS immediately in the event of any incident occurring in the performance of the Contract on the Premises where that incident causes any personal injury or damage to property which could give rise to personal injury. Accidents to the Contractor's servants or agents shall be reported immediately to the RCIPS' site representative at the time.
- 16.5 The Contractor shall take all necessary measures to comply with the requirements of any statutes, orders, regulations and health and safety codes or policies which may apply to staff and other persons working on the Premises in the performance of the Contract.
- 16.6 The Contractor shall make all reasonable arrangements to ensure that all staff and other persons employed by or controlled by any of its sub-contractors and working on the Contractor's tasks for any purpose of the Contract are adequately informed and instructed on the hazards and any necessary associated safety measures.

17. INDEPENDENT CONTRACTOR

- 17.1 The Contractor shall act as an independent contractor and not as an employee of the Employer and has no authority to bind the Employer in any manner or enter into contractual arrangements on behalf of the Employer. The Contractor's servants, agents or sub-contractors shall not be considered in any respect as being the employees or agents of the Employer.
- 17.2 The Employer shall not be liable in respect of any claim for workmen's compensation by or in consequence of any accident or injury to any Pilot or other person employed by the Contractor or any sub-contractor engaged for the provision of the Services and for the avoidance of doubt, the provisions of General Condition 17 shall apply to any claim for compensation arising out of such accident or injury.

CONTRACT: PROVISION OF PILOT SERVICES

18. INDEMNITY

- 18.1 The Contractor shall be responsible for and shall indemnify, defend and hold the Employer, its employees, servants, agents, successors and assigns (each an Indemnified Party) harmless from and against any expense, proceedings, liability and claims whatsoever in respect of death or injury to any person, loss or damage to property (including property belonging to the Employer), infringement of third party intellectual property rights, and any other loss, damage, cost and expense (including but not limited to legal expenses) which may arise out of or in consequence of any neglect, error, omission or wilful default by the Contractor, its employees, servants or agents in the performance of any of its obligation arising under the Contract.
- 18.2 The provisions of Condition 18 shall survive the expiration or termination of this Contract.

Indemnification Procedures

- 18.3. If any claim in respect of any loss is asserted or any civil, criminal, administrative action or proceeding (hereinafter referred to as "Claim") is threatened or commenced, in each case against an Indemnified Party, that party will promptly notify the other party ("the Indemnifying Party") in writing thereof. Any failure or delay by the Indemnified Party in giving such written notice shall not constitute a breach of this Contract and shall not excuse the Indemnifying Party's obligation under this clause.
- 18.3.1 Following the Indemnifying Party's confirmation of receipt of such written notice, it shall be entitled to elect within seven (7) calendar days of receipt of such notice to assume sole control over the investigation, defence and settlement of the Claim at its own costs, risk and expense. However, the Indemnified Party shall be entitled to participate in the investigation, defence and settlement of such Claim at its own cost and expense.
- 18.3.2 The Indemnifying Party shall not enter into any settlement of a Claim without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld.
- 18.3.3 If the Indemnifying Party does not elect to assume sole control of the defence, investigation and settlement of such Claim, the Indemnified Party will have the right to do so in such reasonable manner as it may deem appropriate in its sole discretion, at the cost, risk and expense of the Indemnifying Party. The Indemnifying Party will have the right to participate in such defence, investigation and settlement at its own cost and expense.
- 18.3.4 Each party, at its own cost and expense agrees to provide reasonable cooperation and assistance to the other part in the defence, investigation and settlement of any Claim including but not limited to providing access to relevant information and employees.

Subrogation

- 18.4 The Indemnifying Party will, upon payment of an indemnity in full for any Claim arising out of or in connection with this Contract, be subrogated to all rights of the Indemnified Party with respect to the claims and defences to which such indemnification relates.

CONTRACT: PROVISION OF PILOT SERVICES

19. CONFIDENTIALITY

- 19.1 For the purposes of this Contract, "Confidential Information" of a party means: (a) the terms of this Contract and (b) all information or materials (in any medium) of either party (including information entrusted to it by a third party) or any affiliate thereof passed to the other party pursuant to this Contract.
- 19.2 During the term of this Contract and following for a period of five (5) years after its expiration or termination, the party receiving any Confidential Information of the other ("the Receiving Party") shall not use, copy, sell, release, publish or otherwise disclose such Confidential Information for any purpose other than the provision of the Services under this Contract, and shall take all reasonable steps to maintain the security and confidentiality of such Confidential Information.
- 19.3 While any Confidential Information of the Employer is in the custody of the Contractor, he shall limit disclosure of such information to only those employees, sub-contractors or other third parties who reasonably require such Confidential Information for the Contractor's performance of his obligations under this Contract; provided however that any such person or entity who is not one of the Contractor's employees shall have first executed a confidentiality agreement which contains the same terms as the confidentiality requirements set forth in Condition 12.
- 19.4 Information of a party will not be considered Confidential Information under this Contract if such information:
- (i) was already rightfully known by the Receiving party at the time it was obtained thereby and free from any obligation to keep such information confidential;
 - (ii) is or falls into the public domain through no wrongful act, fault or omission by the Receiving Party;
 - (iii) is developed by the Receiving Party independently of and without access to or use or benefit of any Confidential Information of the disclosing party.
- 19.5 Where any Confidential Information is disclosed by a Receiving Party pursuant to any law or court order, such disclosure shall not constitute a breach of Condition 12.
- 19.6 Upon the expiration or termination of the Contract, or upon the request of the disclosing party for the return of any Confidential Information, the Receiving Party shall promptly return such Confidential Information (whether in hard copy, diskette or any other electronic format, and including any copies, extracts, descriptions and summaries thereof) or, with the Disclosing Party's written consent, will promptly use all reasonable efforts to destroy same and will provide the Disclosing Party with written certification of such destruction.

20. PUBLICITY

- 20.1 Neither Party shall make any press announcements relating to the Contract or any part thereof in any way, except with the prior written consent of the other Party.
- 20.2 Each Party shall take all reasonable steps to ensure the observance of General Condition 20.1 by its servants, employees, agents, professional advisors and consultants. The Contractor shall take all reasonable steps to ensure the observance of the said General Condition 20.1 by its sub-contractors.

CONTRACT: PROVISION OF PILOT SERVICES

20.3 The provisions of this Condition shall apply during the continuance of this Contract and for a period of five (5) years after its expiration or termination.

21. WARRANTIES AND REPRESENTATIONS

The Contractor warrants and represents that:-

- (a) the Contractor has the full capacity and authority and all necessary consents (including, but not limited to, where its procedures so require, the consent of its parent company) to enter into and perform this Contract and that this Contract is executed by a duly authorised representative of the Contractor;
- (b) the execution, delivery and performance of this Contract has been duly authorised by the Contractor and no additional corporate authorisation or action on its part is required in connection with the execution, delivery or performance of the Contract;
- (c) no approval, authorisation or consent of any governmental or regulatory authority is required to be obtained or made by it in order for the Contractor to enter into or and perform all its obligations under this Contract;
- (d) the Contractor shall discharge its obligations hereunder with all due skill, care and diligence including but not limited to good industry practice and (without limiting the generality of this Condition) in accordance with its own established internal procedures;
- (e) the Services shall be provided to the reasonable satisfaction of the Employer in accordance with these Conditions;
- (f) the Services shall be carried out in accordance with the relevant operational and technical requirements, standards, certification and any particulars specified in this Contract;
- (g) the Services shall conform in all respects with the requirements of any statutes, orders, regulations from time to time in force;
- (h) all obligations of the Contractor pursuant to the Contract shall be performed and rendered by appropriately experienced, qualified and trained Staff with all due skill, care and diligence;
- (i) the Contractor is not in default in the payment of any due and payable taxes or in the filing, registration or recording of any document or under any legal or statutory obligation or requirement which default might have a material adverse effect on its business, assets or financial condition or its ability to observe or perform its obligations under this Contract.

22. ASSIGNMENT AND SUB-CONTRACTING

CONTRACT: PROVISION OF PILOT SERVICES

- 22.1 The Contractor shall not assign or sub-contract any portion of the Contract without the prior written consent of the Employer. Sub-contracting any part of the Contract shall not relieve the Contractor of any obligation or duty attributable to him under the Contract or these conditions.
- 22.2 Where the Employer has consented to the placing of sub-contracts, copies of each sub-contract shall be sent by the Contractor to the Employer immediately they are issued.
- 22.3 The Contractor shall ensure that where relevant the General Conditions of this Contract are subsumed into any sub-contracts placed for the purposes of the Services. If required by the Employer, the Contractor shall provide the names and addresses of all such sub-contractors.

23. RECOVERY OF SUMS DUE

Wherever under this Contract any sum of money is recoverable from or payable by the Contractor, that sum may be deducted from any sum then due, or which at any later time may become due, to the Contractor under this Contract.

24. DEFAULT OF CONTRACTOR

In the event of the Contractor failing to provide the Services or any part thereof in accordance with the Contract the Employer shall (without prejudice to any other remedy available in the General Conditions) be entitled:

- (i) to deduct from any account rendered by the Contractor in respect of such work any sum as the Employer considers appropriate;
- (ii) to employ such other persons to carry out the Services and in the meantime to debar the Contractor, his servants and agents from the Premises; and
- (iii) to recover from the Contractor any costs incurred by the Employer under paragraph ii above after taking account of any sum deducted under paragraph i above.

25. CORRUPTION

25.1 The Contractor shall not by himself, on in conjunction with any other person:

- (a) corruptly solicit, receive or agree to receive, for himself or any other person; or
- (b) offer or agree to give to any person in the Employer's service, or any consultant or contractor who has a contract with the Employer,

any gift or consideration of any kind as an inducement or reward for doing or not doing anything or for showing favour or disfavour to any person in relation to this Contract or any other contract to which the Employer is a party.

CONTRACT: PROVISION OF PILOT SERVICES

- 25.2 The Contractor shall not enter into any contract with the Employer in respect of which commission has been paid or agreed to be paid by him or on his behalf or to his knowledge unless, before any such contract is made, particulars of any such commission and the terms and conditions of any agreement for the payment thereof, have been disclosed in writing to the Employer.
- 25.3 Without prejudice to the rights of termination set out in Condition 26, the Employer may by notice terminate the Contract with immediate effect if:
- (i) reasonably satisfied that the Contractor or anyone employed by him or acting on his behalf or anyone acting on his behalf (whether with or without the Contractor's knowledge) is in breach of this Condition; or
 - (ii) the Contractor or anyone employed by him or acting on his behalf is convicted of any offence of or akin to corruption or bribery of a public servant under the Penal Code or any other law in force for the time being in the Islands in relation to this Contract or any other contract to which the Employer is a party.
- 25.4 If the Employer terminates the Contract in accordance with this Condition 25, without prejudice to any powers conferred by Condition 26.4 the Employer shall be entitled to recover from the Contractor the amount or value of any such gift, consideration or commission.

26. TERMINATION**26.1 Termination of Contract on default or bankruptcy of Contractor**

26.1.1 If at any time –

- (a) the Contractor shall default in the performance of any of its obligations and shall have failed to remedy such breach within seven (7) days of being required by the Employer in writing to do so; or
- (b) where the Contractor is an individual, a petition is presented for the Contractor's bankruptcy or a criminal bankruptcy order is made against the Contractor, or he makes any composition or arrangements with or for the benefit of creditors, or makes any conveyance or assignment for the benefit of creditors, or if an administrator is appointed to manage his affairs for any reason; or
- (c) where the Contractor is not an individual but is a firm or a number of persons acting together in any capacity, any event in (a) or (d) of this Condition occurs in respect of any partner in the firm or any of those persons or a petition is presented for the Contractor to be wound up as an unregistered company; or
- (d) where the Contractor is a company, the company passes a resolution for winding-up or the court makes an administration order or a winding-up order, or the company makes a composition or arrangement with its creditors, or an administrative receiver, receiver or manager is appointed by a creditor or by the court, or possession is taken of any of its property under the terms of a floating charge

CONTRACT: PROVISION OF PILOT SERVICES

the Employer may, by notice in writing served on the Contractor, forthwith terminate this Contract.

26.2 Termination of Contract on default of payment by Employer

If at any time the Employer shall default in the payment of the Contract Fee in accordance with Schedule 2 and shall have failed to remedy such breach within twenty-eight (28) days of being required by the Contractor in writing to do so, the Employer may by notice in writing forthwith terminate the Contract.

26.3 Termination without cause

In addition to the Employer's right of termination under Clause 26.1 herein, the Employer shall be entitled to terminate this Contract at any time by giving to the Contractor not less than thirty (30) days' written notice to that effect.

26.4 Effect of Termination

26.4.1 Termination of the Contract for any reason shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereupon accrue to the Employer and shall not affect the continued operation of any General Condition which is expressly stated in these General Conditions to survive the termination of the Contract.

26.4.2 Within three (3) days of termination of the Contract for any reason herein, the Contractor shall return to the AOU all security access passes, any equipment or material provided to the Contractor by the Employer for any purpose of the Contract, all records, documents, papers, material and other information that the Contractor and the Pilots were required to prepare and maintain under this Contract, and any other property of the Employer.

27. FORCE MAJEURE

27.1 For the purposes of this Contract the expression "Force Majeure" shall mean any event affecting the performance of a party's obligations which is beyond the party's reasonable control including but not limited to strike, lock-out, enemy action, riot, or the occurrence of a natural disaster such as earthquake, storm, hurricane or flood. An event will not be considered Force Majeure if it is attributable to the wilful act, neglect or failure to take reasonable precautions of the party claiming Force Majeure or its servants, agents or employees. For the avoidance of doubt, an event of Force Majeure shall not include any failure or inability of the Contractor to recruit, locate, obtain or provide a pilot from any particular geographic location, country, region or territory.

27.2 Neither party shall in any circumstances be liable to the other for any loss of any kind whatsoever including but not limited to any damages whether directly or indirectly caused to or incurred by the other party by reason of any failure or delay in the performance of its obligations hereunder as a result of Force Majeure.

27.3 If either party shall become aware of an event of Force Majeure which give rise to or which are likely to give rise to any such failure or delay on its part it shall forthwith notify the other party of the event by the most expeditious method then available and the period which it is estimated that such failure or delay shall continue.

CONTRACT: PROVISION OF PILOT SERVICES

- 27.4 It is expressly agreed that any failure by the Contractor to perform, or any delay by the Contractor in performing its obligations under this Contract which results in any failure or delay in the performance of its obligations by any person, firm or company with which the Contractor shall have entered into any such contract, supply arrangement or sub-contract or otherwise, shall be regarded as a failure or delay due to Force Majeure ONLY in the event that such person, firm or company shall itself be prevented from or delayed in complying with its obligations under such contract, supply arrangement or sub-contractor or otherwise as a result of an event of Force Majeure.
- 27.5 The operation of the Contract shall be suspended during the period in which the event of Force Majeure continues. Forthwith upon the event ceasing to exist, the party relying upon it shall give written notification of this fact to the other party.
- 27.6 Where the event of Force Majeure continues for a period of more than fifteen (15) days and substantially affects fulfilment of the Contract, either party shall be entitled to serve notice to terminate the Contract forthwith. In the event of termination, the provisions of Condition 26.4 shall apply.
- 27.7 The parties accept and agree that the only events which shall afford relief from liability for failure or delay in performance of the obligations under this Contract shall be any event qualifying for Force Majeure hereto.

28. DISPUTE RESOLUTION**Negotiations**

- 28.1 In the event of a dispute between the parties concerning any matter arising from or concerned with the Contract, the parties shall use reasonable efforts to settle the dispute through negotiations conducted in good faith.
- 28.2 If the dispute is not resolved by negotiations within thirty (30) days of initiation of the period or such extended period as the parties may agree, either party may refer the dispute to arbitration in accordance with Conditions 28.3 to 28.6

Arbitration

- 28.3 All claims or disputes which have not been settled by negotiations shall be submitted to and decided by arbitration proceedings conducted in accordance with the Arbitration Law (2001 Revision). The award of the arbitrator shall be final and binding upon the parties and judgment may be entered upon the award in accordance with the applicable law by any court having jurisdiction thereof. Arbitration proceedings shall take place in Grand Cayman unless otherwise agreed by the parties.
- 28.4 Arbitration shall be initiated by the written demand of either party and served upon the other. An arbitration request shall be made within sixty (60) days (or such longer period as mutually agreed by the parties) of such written demand. The arbitration shall be referred to a single impartial arbitrator agreed by both parties or, if the parties cannot mutually agree, an impartial arbitrator appointed by the Director General of the CAA.

CONTRACT: PROVISION OF PILOT SERVICES

- 28.5 The parties expressly agree that any other arbitration involving any other person or entity (i) necessary to resolve the claim or dispute between the Contractor and the Employer, or (ii) substantially involved in or affected by such claim or dispute may be joined or consolidated with an arbitration between the Contractor and Employer provided that such joined or consolidated arbitration shall occur in Grand Cayman and not elsewhere. The Contractor shall include appropriate provisions in all contracts executed with other persons or entities in connection with this Contract to require such joinder or consolidation.
- 28.6 The costs of any such reference including but not limited to arbitrator’s fees, attorney’s fees and expert witness costs shall be awarded at the discretion of the arbitrator.

29. REMEDIES CUMULATIVE

Except as otherwise expressly provided by the Contract, all remedies available to either party for breach of this Contract are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed to be an election of such remedy to the exclusion of other remedies.

30. THIRD PARTY RIGHTS

This Contract shall not, and shall not purport to, confer on any third party (including without limitation any employee, officer, agent, representative or sub-contractor of either the Contractor or the Employer any benefit of or any right to enforce any term of this Contract.

31. NOTICES

- 31.1 All notices, requests, demands and other communications required or permitted under the Contract shall be in writing and shall be deemed to have been duly given, made and received only when delivered personally or by courier service, facsimile communication, registered mail, or such other means as may be agreed by the parties, and addressed to the following:

For the Employer:

Mr. Steve Fitzgerald, c/o Royal Cayman Islands Police Service P.O. Box 909 Grand Cayman KY1-1103 Cayman Islands. Email: steve.fitzgerald@clearskyconsultants.com.

For the Contractor:

< name and address of Contractor’s representative>; Email: <insert address>.

- 31.2 Where the parties agree that any communication referred to in sub-clause 31.1 may be transmitted by email, such communication shall be deemed to have been received on the day after it was sent to the relevant representative above.

32. WAIVER

No delay, neglect or forbearance on the part of either party in enforcing against the other party any term or condition of the Contract shall either be or be deemed to be a waiver of its rights or to the right at any time consequently to enforce any or all other provisions of the Contract.

CONTRACT: PROVISION OF PILOT SERVICES

33. MODIFICATION

The Contract shall not be modified, varied or amended otherwise than by the written agreement of the parties.

34 SEVERABILITY

34.1 If any provision of the Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction or arbitrator pursuant to Condition 28, such provision shall be severed and the remainder of the provisions of the Contract shall continue in full force and effect as if the Contract had been executed without the invalid, illegal or unenforceable provision.

34.2 Where in any arbitration proceedings any part of the Contract has been determined to be superseded, invalid, illegal or otherwise unenforceable, the parties expressly agree that the arbitrator may modify the remaining portions of the Contract to reflect the agreed intentions of the parties.

35. ENTIRE AGREEMENT

The parties acknowledge that the Contract and any amendments in writing by the parties express their entire understanding and agreement and that there have been no warranties, representations, understandings or covenants made by either party to the other except as are expressly set forth in the Contract. The parties further acknowledge that this Contract supersedes any and all prior agreements or contracts, whether oral or written, between the parties with respect to the matters expressly set out herein.

36. GOVERNING LAW

This Contract shall be governed by and construed in accordance with the laws of the Cayman Islands and the parties hereby irrevocably submit to the jurisdiction of the Cayman Islands courts.

CONTRACT: PROVISION OF PILOT SERVICES

SCHEDULE 1: PILOT SERVICES

PART A: OVERVIEW OF REQUIRED PILOT SERVICES

1	AIR OPERATIONS UNIT NAME	Royal Cayman Islands Police Service: Air Operations Unit	DATE OF COMPLETION OF THIS FORM:	August 2009
2	AIRCRAFT DETAILS	Type – specific type detail by Mark and engine type		Airframe Hours
3	Aircraft Number 1	Helicopter EC135 TI serial number 0107, registered VP-CPS with Twin Turbomeca Arrius 2B1A engines	Airframe Hours at time of request	6,989 as of July 2009
4		Personnel Passes	Vehicle Passes	Equipment Passes
5	Special Access requirements (Details on separate sheet if required)	Security access pass to airside, Owen Roberts International Airport, Grand Cayman	None required	None required
6		Security clearances		
7	Security Clearance required at Unit – normally basic	Basic check required to satisfaction of the RCIPS		
8		Numbers of pilots: One or more, supplemented by replacement pilots as and when needed.	Contractor should allow in pricing to maintain currency for the necessary technical checks for this number of pilots	
9	Number of Pilots on Unit for whom the contractor will be required to provide on-going technical training to support the aircraft operated	All pilots quoted for within tender submission to meet the requirements of this contract		
10	Additional Pilotage requirements e.g. Contractor to provide dedicated TRI /TRE /CRMI for unit if required	The provision of instruction and training, together with Operator Proficiency Checks and Line Checks, as required by the	Full details to be provided by tenderer for the check, instruction and training provision, together with nominated individuals, post and qualifications.	

CONTRACT: PROVISION OF PILOT SERVICES

		Police Air Operations Manual, Part D, will be for all the Contractor's pilots, and should be included within the tender.		
11	Unit Pilots to carry out all normal flight tests	Yes		
12	Normal use of pilots during extended maintenance –e.g. Preferred leave periods, refresher training or other unit related activities related to their unit employment	The Contractor will be expected to provide pilots during aircraft maintenance and other downtime on contracted days to the UEO's direction, but only for tasks associated with the pilot's primary flying duties. This may be, for example, to enable required Unit training,		
13	Operational Profile	Days	Excluded operational days if any(e.g. Christmas day, etc)	
14	Days per year unit operational	Alternative rosters: 1. 260 (five days on / two days off), or 2. 365 (operational every day)	No excluded operational days	See Tender Price Form for pricing base tender at 365 duty days with option, at 260 duty days per year
15	Operational days per week	Flexible within the FTL scheme requirements and the contracted days provided		
16		Operational period each day	Units closed period	Is Maintenance allowed during closed period
17	Operational hours each day	8 hours	16 hours, emergency standby subject to FTL scheme restrictions	Yes, but no requirement for ground runs, test flights outside operational period
18		Total	Aircraft Number 1	
19	Number of hours flown by each aircraft per year	Range is 300 to 500 hours per year	Range is 300 to 500 hours per year	
20	Mountain Flying Requirement (suitably qualified and experienced pilots)	No		

END OF TABLE

CONTRACT: PROVISION OF PILOT SERVICES

SCHEDULE 1: PILOT SERVICES (contd)**PART B: SPECIFICATIONS OF PILOT SERVICES****1.0 OVERVIEW**

- 1.1 The Pilots shall be dedicated to the RCIPS Air Operations Unit (AOU) for the Term to the extent that the agreed rota fulfils the requirements of the AOU. With the aim of securing the most effective and efficient operation, they will be expected to operate as part of the AOU.
- 1.2 The Aircraft will be located at an airfield where the AOU will have rest room facilities and office accommodation. As and when required by the AOU, the Aircraft may be situated at other Premises on a temporary basis for operational reasons.
- 1.3 Flying duties shall be carried out under a Police Air Operators Certificate (POAC) and routinely conducted below 1,000 ft.

2.0 PROVISION OF PILOTS**2.1 Contractor to recruit Pilots**

- 2.1.1. The Contractor shall recruit and provide on hire to the AOU sufficient Pilots (and where necessary, replacement Pilots) meeting the requirements of Clause 2.3 to fly the Aircraft during the Duty Time under a PAOC in a single Pilot configuration. In assessing the number of Pilots to be provided the Contractor shall have regard to the existing Flight Time and Duty Hours Limitations (FTL) scheme for the AOU, approved by the CAA and defined within the Police Air Operations Manual (PAOM).
- 2.1.2. The Contractor shall provide the appropriate number of Pilots (whether by means of permanent or temporary Pilots) to facilitate commencement of the Pilot Services in accordance with the Implementation Plan set out in Schedule 3.
- 2.1.3 The Contractor shall within two (2) days of the Commencement Date, provide the UEO with (i). the curriculum vitae and all documents showing the qualifications and experience attained to date of those pilots recommended for permanent and replacement duty by the Contractor in his Tender, (ii). a police clearance certificate from the country of the pilot's most recent place of residence and (iii). a statement of their availability to commence duties by the date fixed for the provision of Pilot Services referred to in General Condition 3.1.2. The RCIPS shall review the documentation relating to such pilots and prepare a list of suitable candidates. The RCIPS reserves the right to interview such candidates. The decision of the RCIPS not to shortlist or select any recommended pilot shall be final.
- 2.1.4 The Contractor may be required to recommend additional pilots and shall do so in a timely manner to facilitate provision of the Pilot Services in accordance with Clause 2.1.2 herein.
- 2.1.5 The Contractor shall ensure that all pilots recommended in the Tender:

CONTRACT: PROVISION OF PILOT SERVICES

- (a) are either free from any commercial obligation or external company bonding agreement or similar arrangement which may affect the delivery of the Pilot Services under the Contract in any way, or if party to any such bonding arrangement, prior to any employment by the Contractor for the purpose of this Contract the pilot has been duly released from such agreement, and shall provide written proof to the Employer of such release prior to the provision of Pilot Services in accordance with General Condition 2.1; and
- (b) shall remain available (i) for selection from the date of the Letter of Acceptance issued in respect of the Contractor's Tender until completion of the selection process, and (ii) at a 3 to 5/6 week notice period for commencement of provision of the Pilot Services.

2.1.6. The Contractor shall advise the UEO whether any of the recommended pilots have any other obligations which may affect the delivery of the Services under the Contract. The UEO shall have the discretion to agree to the Contractor's employment of such pilots to perform the duties under the Contract or to require their substitution with other suitably qualified pilots at no additional cost to the Employer.

2.1.7 All Pilots found suitable and accepted by the Employer to fill the available posts shall be the employees of the Contractor who shall at all times be responsible for the performance of their duties, discipline and welfare. The Contractor shall maintain and update the details of all Pilots during the Term.

2.1.8 The Contractor shall be responsible at its own cost for any type rated conversion of a Pilot should it become known that any Pilot approved for employment by the Contractor is not duly qualified or otherwise authorised to fly the Aircraft at the commencement of his duties at the AOU.

2.2 Pilot Contracts

2.2.1. Where necessary, the Contractor shall ensure that any relevant requirement of this Contract is expressly incorporated into any contract for services or contract of employment or other agreement with all Pilots to ensure that they comply with the provisions herein.

2.2.2. Without prejudice to the generality of clause 2.2.1. provision shall be made in such contract between the Contractor and a Pilot for the following matters:

- (i). termination of the contract of employment by a Pilot by providing no less than three (3) months' written notice of termination;
- (ii). termination of the contract of employment by the Contractor for cause at any time in writing without notice;
- (iii). prohibition on a Pilot from disclosing any Confidential Information as defined in General Condition 19; and

CONTRACT: PROVISION OF PILOT SERVICES

(iv). submission of Pilots to random drug testing as and when may be required by the Contractor.

2.3 Pilot Qualifications

2.3.1 All recommended pilots must hold a CPL(H) and have a minimum of 2,000 hours rotary wing experience, which must include:

- (a). 1,500 hours as pilot in command, without supervision and
- (b). 200 hours of night flying of which 20 hours must have been as Pilot in command.

2.3.2 The following experience, though not mandatory for recommended pilots, would be deemed desirable:

- (a). 1,000 hours rotor wing twin turbine aircraft; and
- (b). 50 hours on type EC135 aircraft

2.3.3. The Contractor shall ensure that all recommended pilots have verifiable and proven past experience and competence of low-flying either as military aircrew or in any other capacity acceptable to the Contractor in order to carry out low flying as required for police air operations in accordance with a PAOC.

2.3.4 Any recommended pilot not meeting the requirements stated in clause 2.3.1 above may be approved for selection by the Employer if the pilot shows comparable flying experience and the pilot is found to be acceptable to the UEO and the Government's aviation insurers.

2.3.5 All Pilots must provide the Contractor with a current medical certificate issued by a qualified medical practitioner.

2.3.6 For the duration of the Term, all Pilots will be required to hold a licence which shall comply with the PAOC. The licence must be endorsed with the type of Aircraft to be operated.

2.3.7 Prior to commencement of the Services, all Pilots must hold a valid Commercial Pilots License (Helicopter) validated by the CAA and any conditions or limitations on the license or certificate must be acceptable to the UEO.

Chief Pilot

2.3.8 In addition to the qualifications set out in clause 2.3.1 above, the Chief Pilot shall have at least 8 years' flying experience and preferably have held management posts in command of pilots and had responsibility for and experience in drafting operation and training manuals.

2.4. Use of Pilots during Term

2.4.1 The Pilots will work under the direction of the Unit Executive Officer (UEO) during the Term.

CONTRACT: PROVISION OF PILOT SERVICES

- 2.4.2 All Pilots provided by the Contractor shall be employed exclusively by the Contractor for the delivery of the Pilot Services during the Term. The Contractor shall not permit Pilots to undertake any other flying activities without the prior written permission of the UEO, such permission not to be unreasonably withheld or delayed where such flying does not interfere with, restrict or adversely affect delivery of the Pilot Services required under the Contract or conflict with any requirements of the CAA. This clause shall not apply to replacement Pilots whose services shall be exclusive to the Contractor.
- 2.4.3. The use of any Pilot for the purpose of this Contract is at all times subject to the approval of the AOU. Where at any time after a Pilot has been employed by the Contractor for the purpose of this Contract the Employer reasonably determines that the Pilot has ceased to be suitable for the delivery of any service relating to the Contract, the Employer shall notify the Contractor of its determination and the Contractor shall take all reasonable steps to replace that Pilot with a suitable Pilot. Any decision of the Employer in this respect shall be final. Any costs incurred in providing a replacement Pilot shall be borne solely by the Contractor.

2.5 Non-flying duties

- 2.5.1 Pilots shall be required to take part in any briefing discussion convened by the AOU or Commissioner where necessary; to assist from time to time in ground training of the AOU's personnel; to maintain records of Duty Time, Emergency Call-Out Periods and Flying Times; to prepare and maintain any records required by the CAA and any other records reasonably directed by the UEO. All such records shall be produced in conformity with any requirements or instructions issued by the UEO.
- 2.5.2 In addition to their flying responsibilities all Pilots, including the Chief Pilot, may be required to give lectures on matters associated with their profession; to attend lectures, conferences and air shows as directed by the UEO; to assist in the compilation of equipment specifications and to carry out equipment assessment and validation checks as required by the UEO; and perform such other duties that may be required by the UEO from time to time.

2.6 Uniforms and equipment

- 2.6.1 The Contractor will provide at its own expense, and ensure that all Pilots wear any items of uniform, protective clothing, helmets and boots specified by the AOU, such items to be provided by and at the sole expense of the Contractor. Pilots will wear such helmets and overalls together with any other items of mandatory safety wear when in the Aircraft.
- 2.6.2 The Contractor will have all Pilots measured to enable orders to be placed for the items of clothing referred to in this Clause 2.6 so that these items will be available for use by the commencement of the Pilot Services.
- 2.6.3 Subject to the further directive of the AOU, the minimum clothing and equipment requirement for all Pilots shall consist of the following:-

Navy blue Nomex flying overall;
Black leather boots;
White protective flying helmet.

CONTRACT: PROVISION OF PILOT SERVICES

2.6.4 The Contractor shall ensure that any equipment supplied to the Pilots for the delivery of the Pilot Services is properly maintained in safe working condition.

2.7 Duty Day

2.7.1 "Duty Day" shall mean either any 5 days within any 7 day duration or any 365 days depending upon the Contract Fee chosen by the Employer subject to the FTL scheme approved by the CAA. This may be amended in written agreement between the Employer and the Contractor from time to time to provide the maximum efficient duty period within the Operator's Flight Time Limitation Scheme including any subsequent amendments approved by the AOU and the CAA.

2.7.2 From time to time the Aircraft may be required to be flown outside a scheduled Duty Day. This may include emergency or special duties. The Contractor shall ensure that an adequate number of Pilots are available at all times to provide Pilot Services on such occasions within the FTL provisions of the PAOM or the FTL scheme approved by the CAA for the Unit.

2.7.3 The Contractor shall ensure that Duty Pilots are available at the Premises during Duty Days on a daily basis (including Bank Holidays, public holidays and other religious festivals) unless otherwise agreed in writing by the UEO.

2.7.4 During Duty Days the Contractor shall not permit Pilots to leave the Premises without the prior written consent of the UEO.

2.7.5 The Contractor will require Pilots to produce for the UEO briefing notes on any flight undertaken during a Duty Day or any other time.

2.7.6 The normal work shift for a Pilot shall be 8 hours, the commencement and termination of which shall be as directed by the UEO. During a shift each Pilot shall undertake flying duties as directed by the UEO. Any modification to the shift will be consistent with the Operator's approved FTL Scheme. For the purpose of this Contract, the Operator shall be the RCIPS.

2.8 Compliance manuals and certificates

All Pilots shall comply with the provisions of any PAOC in force and the PAOM. The Contractor shall not be entitled to any additional costs incurred in ensuring compliance by all Pilots with the PAOM except such costs as may be stated herein or otherwise agreed by the parties.

3.0 CHIEF PILOT

3.1 The Contractor shall appoint one of the Pilots as Chief Pilot who shall (i) perform the responsibilities of Chief Pilot as set out in the PAOM and any written delegated responsibilities issued by the UEO from time to time; (ii) ensure that Pilot discipline and conduct is maintained and (iii) to ensure that the requirements of the General Conditions of Contract and the provision of Pilot Services are complied with.

3.2 The Contractor will designate one Pilot as Senior Pilot who shall act for as Chief Pilot during his absence.

CONTRACT: PROVISION OF PILOT SERVICES

- 3.3 The Chief Pilot shall be responsible for rostering the Pilots (including himself) for duty. In ensuring that any Duty Day is fully covered the Chief Pilot shall comply with the FTL Scheme or any agreed variation thereof, as laid down in the PAOM.
- 3.4 The Chief Pilot shall be responsible for and report to the UEO on all aspects of maintaining records required by the PAOM and for any other duties required there under.
- 3.5 The Contractor will ensure that the Chief Pilot is available for both flying and non-flying duties in accordance with the option included by the Contractor in his tender submission and accepted by the Employer for inclusion in the Contract.
- 3.6 The Contractor shall ensure that the Chief Pilot has all resources (including human and financial), equipment and materials of any kind necessary for fulfilling his obligations and the Contractor shall be responsible for bearing any associated costs.
- 3.7 The Chief Pilot shall, when required by the UEO, liaise with the CAA and the Employer's Helicopter Maintenance Services Contractor and to assist with updating the PAOM or any other Flying Manual as requested by the UEO.

4.0 PROFICIENCY CHECKS

- 4.1 All operator proficiency checks and instrument flying training shall be undertaken at the Contractor's expense but the UEO at his discretion may authorise such checks to be undertaken using the Aircraft at an agreed cost to the Contractor and at an agreed time. The UEO may also exercise this discretion where Pilot line checks cannot be undertaken during the course of normal operational flying. In such cases, a special flight shall be arranged to facilitate the necessary checks at the Contractor's expense.
- 4.2 Operator Proficiency Checks (OPCs) cannot be completed on normal operational tasks with the requirement that the aircraft be fitted with the dual controls and the Training Captain and Pilot on check solely occupying the helicopter. Where the Aircraft is required for this function, the availability will be agreed with the UEO in advance and costs borne by the Contractor

5.0 TRAINING OF PILOTS

- 5.1 The Contractor shall at its own expense provide all necessary training, testing and examination of Pilots as may be necessary to meet the requirements of the AOU, PAOM or the CAA as they relate to the provision of the Pilot Services.
- 5.2 The Contractor will nominate a Line Training Captain, Training Captain and Chief Training Captain for the delivery of required training of Pilots and six monthly OPC and annual line checks. The Line Training Captain may be one of the Pilots provided that he meets the minimum qualifications stated herein. The Training Captain and Chief Training Captain may be recruited from a third party training organisation that has been assessed and approved by either the UEO or Project Manager as having the necessary qualifications and experience to provide such personnel. Candidates for these positions are subject to the final approval of the UEO.

CONTRACT: PROVISION OF PILOT SERVICES

5.3 Apart from the qualifications for Pilots referred to in clause 2.3.1, desirable qualifications for the Pilots referred to in clause 5.2 are as follows:

5.3.1 Line Training Captain

- a) CPL(H) as appropriate with relevant PIC rating;
- b) 1,000 hours PIC on helicopters;
- c) 50 hours PIC on type;
- d) At least six months' experience on relevant air operations, or three months and 75 flying hours on relevant air operations; and
- e) Currency in respect of the operating roles in which he will be required to train or test.

5.3.2 Training Captain

- a) As for a Line Training Captain; and
- b) Current TRE/TRI qualification on type(s) in question; and
- c) At least 6 months or 100 flying hours' experience on relevant air operations; and
- d) Instrument on Rating (unless conducting non-IF training and checks).

5.3.3 Chief Training Captain

- a) As for a TRE;
- b) 2,000 hours PIC on helicopters or aeroplanes as appropriate

6.0 PILOT RESPONSIBILITIES

6.1 Pilots shall:

6.1.1 exercise all reasonable skill, care and diligence in the discharge of the Pilot Services required under this Contract;

6.1.2 obey the lawful directives of the UEO and/or AOU with respect to the performance of such Services;

6.2 The Pilot of the Aircraft at any time shall have sole and absolute discretion to determine in the exercise of his professional skill and judgment any and all matters concerning safety to persons and property, including:

6.2.1 the load and number of passengers that may safely be carried in the Aircraft;

6.2.2 how any load shall be loaded and stowed;

6.2.3 whether and when the Aircraft may safely be flown;

6.2.4 when and where the Aircraft should be landed;

Any such decision made by a Pilot shall be binding upon the Contractor and the Employer.

CONTRACT: PROVISION OF PILOT SERVICES

7.0 USE OF THE AIRCRAFT

- 7.1 The Chief Pilot shall liaise with the UEO to establish in advance dates and times when the Aircraft shall be required for repair, maintenance and servicing.
- 7.2 Pilots shall at all times fly the Aircraft in compliance with the laws and the lawful directions of the RCIPS, CAA and any other relevant authority, and solely for the purpose of official RCIPS duties and associated training.
- 7.3 The Aircraft shall normally be flown within the geographical limit of the Cayman Islands and its territorial waters. Pilots shall not conduct flights outside this geographical limit without the directive of the Commissioner.

CONTRACT: PROVISION OF PILOT SERVICES

SCHEDULE 2: PAYMENT OF CONTRACT FEE AND CHARGES**1. CONTRACT FEE**

- 1.1 The Contract Fee payable to the Contractor for <insert number of duty days accepted> Duty Days is the sum of CI \$ <state amount > (in words..... Cayman Islands Dollars.)
- 1.2 Where the Contract is renewed pursuant to General Condition 3.2 for a further period of either one or two years, the Contract Fee payable for such further year or years shall be as follows:
- 1.2.1. for Year 3:
- (a) CI \$<state amount > for 365 Duty Days; or
 - (b) CI \$<state amount > for 260 Duty Days.
- 1.2.2 for Year 4:
- (a) CI \$<state amount > for 365 Duty Days; or
 - (b) CI \$<state amount > for 260 Duty Days.
- 1.3 The Contract Fee comprises the Contractor's tender prices for each year of the Term as stated in the Contractor's tender form and shall constitute the full compensation payable to the Contractor for the Services and shall include, unless otherwise expressly stated, all costs, taxes, duties, fees or charges of any kind whatsoever incurred by the Contractor in respect of the Services to be provided.

2. DAILY DUTY DAY CHARGES

- 2.1 Daily Duty Day charges for each year of the Term shall be calculated by dividing the tender price for the particular year by the total number of Duty Days referred in clause 1 above.
- 2.2 The daily Duty Day charge for the first 12 months shall be CI \$<state amount>; and
- 2.3 The daily Duty Day charge for the second 12 months shall be CI \$<state amount>.
- 2.4 Where the Contract is renewed pursuant to General Condition 3.2 for a further period of either one or two years, the daily Duty Day charges payable for such further year or years shall be as follows:
- 2.4.1. for Year 3:
- (a) CI \$<state amount > for 365 Duty Days; or
 - (b) CI \$<state amount > for 260 Duty Days.
- 2.4.2 for Year 4:
- (a) CI \$<state amount > for 365 Duty Days; or
 - (b) CI \$<state amount > for 260 Duty Days.

3. LANDING FEES

The RCIPS shall pay all landing fees for the Aircraft.

CONTRACT: PROVISION OF PILOT SERVICES

SCHEDULE 3: CONTRACTOR'S IMPLEMENTATION PLAN**OVERVIEW**

The Implementation Plan set out in the table below is intended to facilitate the recruitment of suitably qualified Pilots and their integration into the AOU so that the Pilot Services can be provided in accordance with the Contract.

1. COMMENCEMENT DATE

As stated in General Condition 3, the Commencement Date shall be the day after execution of the Contract. The Contractor shall start providing Pilot Services no later than 6 weeks after the Commencement Date.

2. PILOT IDENTIFICATION AND ASSIGNMENT

- 2.1 Within 2 days of execution of the Contract, the Contractor shall meet with the UEO to discuss the pilots recommended by the Contractor to provide the Pilot Services in his Tender.
- 2.2 The procedure referred to in clause 2.1.2 of Part B, Schedule 1 shall be carried out and the Contractor will be notified of the pilots that have been approved for selection.
- 2.3 The processes referred to in clauses 2.2 and 2.3 above shall be completed within 3 weeks of the Commencement Date.

3. UNIFORMS/SAFETY GEAR

The Contractor shall provide Pilots with all uniforms, protective gear and equipment prior to the commencement of the Services.

4. TRAINING

- 4.1 One month prior to the commencement of the Pilot Services, conversion training Pilots will undergo conversion training with a Training Captain recruited by the Contractor and in accordance with the AOU's PAOM.
- 4.2 Two weeks prior to the commencement of the Pilot Services the selected Pilots will be made available to the Contractor's Chief Pilot for Unit Line Training.

5. MEETINGS

- 5.1 Meetings between the Contractor's Operations Director/Chief Pilot and the UEO, and any other relevant persons shall be scheduled every two weeks commencing the first week following the Commencement Date or as appropriate to discuss the performance of the Implementation Plan and any other matters relating thereto.

CONTRACT: PROVISION OF PILOT SERVICES

5.2 **IMPLEMENTATION PLAN:**

IMPLEMENTATION PLAN FOR COMMENCEMENT OF PILOT SERVICES							
ITEM	-6 WK	-5 WK	-4 WK	-3 WK	-2 WK	-1 WK	Commence provision of Pilot Services
Contract Commencement Date							
Pilot Selection							
Uniform Order							
Contract Meeting							
Conversion Training							
Line Training							

End

CONTRACT: PROVISION OF PILOT SERVICES

Schedule 4: Letter of Acceptance, Notification of Acceptance

On RCIPS Letter Heading
Name of Contractor
Address

Dear Sirs,

LETTER OF ACCEPTANCE for Pilot Services

CONTRACT NO RCIPS-AOU C10/002
TENDER NO: CTC/09-10/PI&EA/042
FOR: Procurement of helicopter pilot services
DELIVERED TO: Air Operations Unit, Royal Cayman Islands Police Service
George Town, Grand Cayman, Cayman Islands

I have been authorised to accept your tender for the provision of helicopter Pilot Services as detailed in your tender dated <date>.

For ease of reference, I confirm that your offer is in the amount of CI \$ <state figure amount> (<State amount in words> **CAYMAN ISLANDS DOLLARS**).

I CONFIRM THAT:

1. The Contract shall be for an initial term not exceeding two (2) years and six (6) weeks. The Contractor shall commence performance of his contractual obligations on the day after the Contract is signed. The Contractor's provision of Pilot Services to the RCIPS commences no later than 6 weeks after the Contractor's obligations and liabilities commence in accordance with the Implementation Plan and subject to any extensions to the term of the Contract or renewals agreed pursuant to the option to renew for an additional period not exceeding 2 years.
2. The Project Manager shall be **Mr. Steve Fitzgerald**. The Unit Executive Officer [UEO] shall be <name of officer> who is the designated Head of the Air Operations Unit of the Royal Cayman Islands Police Service.
3. The Department and Unit responsible for this project are the Royal Cayman Islands Police Service and the Air Operations Unit.
4. Please introduce your staff and obtain the information and details required for the completion of your contracted provision of services
5. Subject to paragraph 10 below, you are reminded that within 14 days of the date of the signed Notification of Acceptance the parties shall sign the Contract Agreement in the form contained in the Invitation to Tender and hereto attached.
6. You are reminded that time is the essence of this project.

CONTRACT: PROVISION OF PILOT SERVICES

7. Please keep the UEO informed as to your abilities or otherwise to provide the required services including any requirement deadlines that the Government, RCIPS or CAA requires and kindly submit to the UEO your reports, matters relating to delays, documents and any Change Orders required or agreed to.
8. Requests for payment in accordance with the payment procedures contained in the General Conditions of Contract should be submitted to the AOU. The Government will make payment after the AOU has certified them for payment.
9. Please now commence work on your contracted services.
10. In accordance with the Contract Agreement, this Letter of Acceptance and your required signed Notification of Acceptance create a binding contract between the parties hereto. Additionally, this Letter of Acceptance creates a binding agreement accepting your Tender as defined in the General Conditions of Contract and with the Contract Agreement when signed shall form the basis of the Contract between our two organisations.
11. The signed original of this electronic document will be issued to you within the next three days.

When submitting invoices for payment please reference such invoices with the Contract No referred to above [RCIPS AOU C10/002]. Also, please acknowledge receipt of this Letter of Acceptance by completing the enclosed Notification of Acceptance and emailing a PDF copy of the signed acceptance within 3 days and couriering the signed hard copy to the Project Manager in a timely manner.

Yours faithfully,

<name of signatory>
For Commissioner of Police
Project Manager, Procurement of Helicopter support services for RCIPS
cc: Chief Financial Officer

Attachments:
Notification of Acceptance [for signature and return]

CONTRACT: PROVISION OF PILOT SERVICES

NOTIFICATION OF ACCEPTANCE

for Provision of Pilot Services

TO: Air Operations Unit, Royal Cayman Islands Police Service
Government of the Cayman Islands
Grand Cayman, Cayman Islands

CONTRACT NO RCIPS-AOU C10/002
TENDER NO: CTC/09-10/PI&EA/042
FOR: Procurement of helicopter pilot services
DELIVERED TO: Air Operations Unit, Royal Cayman Islands Police Service
George Town, Grand Cayman, Cayman Islands

Receipt of your letter dated <date>, accepting my tender is hereby acknowledged.

Signed by: _____

Print Name: _____

On behalf of: _____
[Name of tenderer]

Address: _____

Date: _____