

**General Conditions
of Participation****1**

AVIASALON JSC
Flight Research Institute,
Zhukovsky, 140182 Moscow Region,
Russia

1. General Provisions

The International Aviation and Space Salon MAKS 2011 (hereinafter referred to as the Salon) will be held at the airfield of the TEC-Russia JSC, Zhukovsky, Moscow Region, Russia. The **AVIASALON Join Stock Company** (hereinafter referred to as the SALON DIRECTORATE) is assigned to organize the Salon and fulfill all associated works connected with its preparation.

*Following: text marked with * - for non-residents of the Russian Federation, text marked with ** - for residents of the Russian Federation*

2. Schedule of the Salon

Duration of the event: August 16 - 21, 2011

Opening Day: August 16, 2011

Trade days: August 16 - 18, 2011

Public days: August 19 - 21, 2011

Construction: August 05 - 15, 2011

Dismantling: August 22 - 29, 2011

Hours of work:

for exhibitors 9 AM - 7 PM

for business visitors

and public 10 AM - 6 PM

3. Main Documents

The main regulating documents that determine the agreement between the Exhibitor and the SALON DIRECTORATE are:

- Application Form
- General Conditions of Participation
- Contract
- Exhibitor's Manual
- Notes for Pilots Participating in the Flying Display
- Statement for provided services

The Exhibitor receives from the SALON DIRECTORATE the Application form and General Conditions of Participation.

By submitting to the SALON DIRECTORATE the completed, signed and stamped Application Form the Exhibitor accepts the terms of General Conditions of Participation as a legal base for the Contract and takes obligation to follow the items of these General Conditions of Participation.

The Application form must be submitted before the deadline. Applications submitted thereafter will be considered, if free space is available. The date of delivery to the SALON DIRECTORATE is considered as the date of application. The final date of delivery is March 1, 2011.

For preliminary booking of exhibition space and a chalet (before receiving the kit of forms) the Exhibitor should send an official letter to the SALON DIRECTORATE.

4. Registration

The SALON DIRECTORATE conducts registration of Exhibitors.

Having received the Application form (**signed, dated and stamped**) the SALON DIRECTORATE sends to the Exhibitor the invoice for the registration fee plus 25% of the TOTAL for rent of the exhibition space as a deposit that proves conclusion of the contract and provides its execution. The invoice should be paid by the date indicated in the invoice. Upon receiving the first payment together with the original Application form the SALON DIRECTORATE conducts the registration.

The Exhibitor uses the on-line system for registration and forwarding the order forms that are presented at the official website www.aviasalon.com.

Faxes and E-mail messages are also acceptable for prompt executing of questions between the Exhibitor and the SALON DIRECTORATE. The original version of the Contract (**together with all applied forms) should be signed by the authorized person (** and stamped).

The original Contract (** with all applications) must be submitted to the SALON DIRECTORATE by June 30, 2011. If the forms are submitted later than the date of return indicated in each form, the SALON DIRECTORATE does not guarantee rendering of the ordered service in time.

After completed payment of GRAND TOTAL indicated in the Contract the ensuing liabilities will be legally binding for the SALON DIRECTORATE, even if the exhibits do not arrive at the Salon in time (e.g. due to loss, delayed transport or customs clearance) or do not arrive at all, or if entry visas for the Exhibitor or his representatives are not issued in time or not at all.

5. Co-exhibitors and National Pavilions

Co-exhibitors are all firms exhibiting at the stand of the main tenant. The co-exhibitor shall be subjected to the same conditions as the main Exhibitor and may pay for his participation at the Salon by himself. The Exhibitor must submit to the SALON DIRECTORATE a list of all Co-exhibitors and also the layout of the stand including identification of places intended for Co-exhibitors until June 30, 2011.

If a Co-exhibitor hasn't paid or cancels its participation in the Salon, the Co-exhibitor's rental including special requirements must be completely paid by the main Exhibitor.

The Exhibitor registered as the main Exhibitor must be liable to the SALON DIRECTORATE for the Co-exhibitors' fees and damages caused by Co-exhibitors.

Each Co-exhibitor must pay the registration fee that includes the standard entry in the official catalogue of MAKS 2011. The registration fee for the Co-exhibitor may be paid by the main Exhibitor.

A National Pavilion is a joint national exposition of companies from one country that has a general organizer. The organizer of a National Pavilion acts as the main Exhibitor for these companies in part of rent of the exhibition space. National pavilions have privilege in allocating of the exhibition space.

Co-exhibitors (* or participants of national pavilions) can provide a catalogue entry directly through registration at the on-line service. They will be registered upon receiving the registration fee. The on-line service can be used for ordering of additional services on the basis of a direct contract with EXECUTIVE DIRECTORATE. The main Exhibitor (* or general organizer of the national pavilion) bears responsibility for providing information for the official catalogue.

6. Exhibits

Attention!!! Only exhibits that have appropriate permitting documents to be exhibited at international shows may be displayed.

*In accordance with the RF Law all exhibits that present military technology are subject to licensing. The license is responsibility and costs of the SALON DIRECTORATE. For simplifying the customs procedures and getting licenses in time the Foreign Exhibitor should send to SALON DIRECTORATE the List of Military Exhibits (Form 3.1) not later than April 15, 2011.

** After receiving of permission documents for demonstration of military technology in accordance with the RF Government Statement of 02.06.2007 No 339 the Exhibitor that demonstrates at MAKS 2011 exhibits of this type should submit to the organizer Form 3.1 not later than April 15, 2011.

If an exposition doesn't contain military exhibits the Exhibitor should sign the obligation that his exposition does not include the weapon items (Form 3). Exhibitor should also provide the List of Exhibits (Form 3)

Exhibits that are not included into the general list will not be admitted to display at MAKS 2011.

7. Costs and Terms of Payment

The Exhibitor will be charged for the following items:

- the registration fee (obligatory) that includes
 - general advertising and information on the event
 - general security of the exhibition site
 - a standard entry in the official catalogue MAKS 2011
 - an Exhibitor's kit expenses
- the space rental (including surcharge for stand configuration and double-store structures) and renting of static display areas for aircraft include the following services:
 - rent of exhibition space, chalet, static display area;
 - limited number of Exhibitor's badges and Business Visitor tickets in dependence of the rented area (see i11)
 - vehicle passes in cases and amount according to i11
 - general security and fire protection;
 - medical care;
 - general exhibition area guards;
 - general lighting of the exhibition area;
 - cleaning of general exhibition area including passage ways in the halls and open-air grounds and removal of waste during the construction, holding and dismantling phases;
 - general electric power provision;
 - services of the Exhibition personnel (administration, inspectors, ticket collectors, electricians on duty, sanitary equipment attendants, etc.);
 - third party liability insurance.

Other services that are described in the Exhibitor's Manual are available for additional charge.

Surcharge to the space rental for open sides of a stand and for the second floor is charged in accordance with the Contract.

Services offers by third parties on the basis of direct contracts assume no responsibility, guaranty or liability from the side of the SALON DIRECTORATE.

The registration fee and the deposit (25% of the space rental) should be paid in accordance with the invoice and until the date indicated in it. These payments are not subject to reimbursement.

If the SALON DIRECTORATE incompletes the Contract obligations without reasonable justification, it undertakes to refund the double sum of the deposit.

Having received the Application form after the **March 1, 2011** (if exhibition space is available) the SALON DIRECTORATE sends to the Exhibitor the invoice for the registration fee plus 100% prepayment for rent that should be paid by the date indicated in the invoice.

Value Added Tax (VAT 18%) should be added to any payment in exception of special cases (in accordance with the article 164 of the RF Tax Code).

Final payments according to the Contract between the Exhibitor and the SALON DIRECTORATE presented in the corresponding invoice should be paid by the date indicated in the invoice, but not later than **July 20, 2011**.

All payments must be made:

- ** in Russian rubles;
- * in EURO as a bank transfer. Final payment for services and passes (**not rental!**) ordered during the event is acceptable by credit card.

In case of more than 10% inflation during the last 6 months before the Salon the SALON DIRECTORATE has a right to correct prices for services unilaterally.

The right to occupy the stand will be secured only after all terms of payment have been met. If the Exhibitor fails to meet the deadlines for payments, the SALON DIRECTORATE is entitled to withdraw the Contract. The Exhibitor will not be reimbursed for remittances already made.

If the Exhibitor pays later than July 20, 2011, the SALON DIRECTORATE does not guarantee completed execution of ordered services.

If the Exhibitor fails to meet any obligations in terms of payment for services of the Contract, the SALON DIRECTORATE is entitled to retain the stand equipment and exhibits provided by the Exhibitor with preceding written notification. The retained subjects will be stored at the expense of the Exhibitor.

In case the SALON DIRECTORATE has not provided completely the ordered services already paid for, the payment will be reimbursed to the Exhibitor. The Exhibitor's claim should be made in Statement of Works signed by authorized personnel and must be submitted only until the end of the event.

8. Discounts

The following discounts can be done for Exhibitors (in exception of chalet tenants):

- If the payments for rent of the exhibition space on the basis of the Contract are 100% completed until March 1, 2011, 10% discount from space and static display areas rent takes effect
- ** Aerospace and Military Universities have 20% discount for rent of the exhibition space

- * National pavilions should pay for rented space the basic rental rate and don't add surcharges for the stand configuration (i.e. open sides, excluding double-store structures).

9. Withdrawal from the Contract

Withdrawal from the Contract by the Exhibitor can be carried out by the Exhibitor's submission of a notification in written form. It becomes effective after the SALON DIRECTORATE has received the notification. In this case, the Exhibitor will get his money back with the deduction of the registration fee and the deposit, if the SALON DIRECTORATE is notified after the registration, **but not later than July 20, 2011**. If the Contract is canceled after the specified time period, the sums remitted will be forfeited. In case of withdrawal from the Contract by the Co-exhibitor all his payments must be provided fully by the main Exhibitor.

Withdrawal from the Contract by the SALON DIRECTORATE can be carried out in the following circumstances:

- if full payment for the rental has not been paid until July 20, 2011;
- if the Exhibitor repeatedly defies safety and order;
- if the Exhibitor does not meet requirements of Notes for Pilots Participating in Flying Display;
- if the Exhibitor participating in flight operations fails to submit insurance certificates in accordance with i.14;
- if a stand is not obviously equipped in time, i.e. 24 hours before the official opening of the event or a stand is not obviously occupied in 24 hours after the opening;
- if items other than those listed in Exhibition profile are displayed without prior approval by the SALON DIRECTORATE;
- if the Exhibitor hands over the allocated exhibition space partially or in full to a third party (for payment or free-of-charge) without prior approval of the SALON DIRECTORATE or exchanges the allocated space with another Exhibitor

In case of withdrawal from the Contract by the SALON DIRECTORATE the Exhibitor is not entitled to reimbursement of the fees paid.

10. Construction and Dismantling

Technical conditions and terms of construction and dismantling are described in the Exhibitor's Manual MAK5 2011.

11. Badges and Vehicle Passes

Lists of personnel and lists of vehicles for prior making of badges and parking labels should be submitted to the SALON DIRECTORATE by June 30, 2011.

Term of validity is indicated at each badge or label.

Transfer of a personal badge to another person is strictly prohibited.

In case of late order (after July 30, 2011) badges and parking labels will be sold at double price. In this case the SALON DIRECTORATE does not guarantee providing with badges and parking labels in time.

11.1 Duty entrance passes for construction / dismantling

The Exhibitor will be provided with special workers passes for the Exhibitor's representatives and for stand - building staff employed during construction and dismantling periods as well as with vehicle passes. These passes are valid only for a period of performing these works and don't entitle to enter the exhibition grounds while the Salon is in progress. The procedure of ordering these passes is described in the Exhibitor's Manual.

11.2 Badges and tickets for Exhibitors that rent indoor and outdoor exhibition space

The Exhibitor receives a limited number of personal EXHIBITOR badges and once-only Business Visitor tickets for inviting specialists free-of-charge in dependence of rented space:

11.2.1 EXHIBITOR badges

Indoor exhibition space:

15 sq m stand – 3 badges;

each additional 10 sq m – plus 1 badge;

Outdoor exhibition space:

15 sq m – 3 badges;

each additional 25 sq m – plus 1 badge;

11.2.2 Once-only Business Visitor Tickets

Indoor exhibition space:

15 sq m stand – 3 tickets;

each additional 10 sq m – plus 1 ticket;

Outdoor exhibition space:

15 sq m – 3 tickets;

each additional 25 sq m – plus 1 ticket;

11.3 Badges and tickets for chalet tenants

Chalet 160 sqm unit – 16 EXHIBITOR badges and 50 once-only Business Visitor tickets

Chalet 100 sqm unit – 10 badges and 30 tickets

Chalet 80 sqm unit – 8 badges and 25 tickets

Additional badges and tickets can be purchased.

11.4 Exhibiting Aircraft

Limited number of FLIGHT STAFF badges strictly for a flight crew and technicians. This must be preliminary agreed with the SALON DIRECTORATE.

11.5 Vehicle passes / parking labels

Exhibitors that rent indoor and outdoor exhibition space are not provided with free parking labels.

The Exhibitor may purchase vehicle passes / parking labels for the **Parking Place** next to the exhibition site.

If a driver has no badge or ticket, he'll stay out of the exhibition site at the parking place.

11.5.1 CHALET parking labels

Chalet 160 sqm unit – 5 vehicle passes

Chalet 100 sqm unit – 4 vehicle passes

Chalet 80 sqm unit – 3 vehicle passes

Car drivers will get SERVICE personal badges.

11.5.2 SERVICE vehicle passes

The Exhibitor may purchase **SERVICE** vehicle passes that permit entering the exhibition site and drive up to the exhibition halls at 7 AM – 9AM and 6 PM – 7 PM strictly and includes SERVICE personal badge for a driver. This kind of pass doesn't provide the right to park on the exhibition site.

11.5.3 AERODROM vehicle passes

Flight staff will get free of charge a limited number of special vehicle passes AERODROM that allow passing to the Static display and the aerodrome technical zone. Number of badges depends on aircraft empty weight and should be agreed with SALON DIRECTORATE. A driver should have FLIGHT STAFF badge.

12. Flight Authorization

A term AIRCRAFT refers to airplanes, rotary-wing craft, airship, gliders, powered gliders, free and tethered balloons, kites, parachutes, model aircraft, air sports equipment and other equipment intended for use of air space, spacecraft, rockets and similar missiles(in accordance with Federal Aviation Regulations on Flights in the RF Airspace).

The form of presentation, allocated areas and prices for exhibition space for non-standard aircraft (gliders, powered gliders, balloons, etc.) are described in a special regulating document.

Exhibitors presenting Aircraft should complete the Form 6 for **each aircraft**.

For every aircraft that is planned to make independent flight to the Salon's airfield the following documents should be attached to this Form 6:

- A Certificate of Airworthiness (copy)
- Draft flights profile (program) (drawing and description) (for aircraft that intend to take part in demonstration flights)
- Third-party liability insurance certificate (copy) according to i. 14 of MAKS 2011 Exhibition Manual

After getting approval for arrival the Exhibitor that intends to take part in the flight demonstration should submit to the Flying Control Committee the following documents:

- Application for a flight from a pilot-in-command
- A valid license or certificate for the type of aircraft to be flown (original)
- A medical certificate
- Insurance documents in accordance with i.14.
- A speaker's text on aircraft characteristics and maneuvers.
- A full description of maneuvers (including figures of maneuvers) to be demonstrated in the flight display. The description of flight should be submitted in two variants: in case of good weather and in case of bad weather (with drawings attached).

The SALON DIRECTORATE will provide the Exhibitor with "Notes for Pilots Participating in the Flying Display" including the guide explaining how to reach the airfield.

13. Press Conferences, Presentations

If the Exhibitor is going to hold a press conference, presentation or other action during the Salon, he should submit the application not later than June 30, 2011. The event will be included into the MAKS 2011 Program. The SALON DIRECTORATE provides opportunity to reserve a conference hall.

The SALON DIRECTORATE has a right to change the date and time after coordination with the Exhibitor. When mutual agreement is reached, the Exhibitor should pay for reservation until the date indicated in the invoice.

14. Insurance

The **compulsory** types of insurance at MAKS 2011, without which the participants would not be admitted to training, demonstrative and display flights are as follows:

- *third-party liability insurance* of the Exhibitor against damages caused to the health or property of third parties for the insured sum not less than the following ones, which depends on the maximal take-off weight of aircraft:
over 110 tons -25 million USD;
from 30 to 110 tons -10 million USD;
from 8 to 30 tons - 5 million USD;
from 0 to 8 tons - 1 million USD;
- *insurance of flying personnel's life and health* against death or injuries as a result of an air-accident for the insured sum of 75 000 USD per each crew member.
- *insurance of passengers and other persons* taken onboard the aircraft during performing the flight against death and injuries as a result of an air-accident for the insured sum of 75000 USD per each passenger;

The **recommended** types of insurance at the Salon:

- *insurance against damages* caused to Exhibitor's equipment and exhibits including aircrafts that are exhibiting at the static display and in flight;

15. Official Catalogue

The official Catalogue will be published to the opening of the Exhibition. Each Exhibitor / Co-exhibitor will be provided with one copy of the Catalogue. Information should be sent until June 30, 2011. In case of submitting the form later, the SALON DIRECTORATE does not guarantee publishing of the information in the catalogue.

Each Exhibitor / Co-exhibitor should provide the following information for publishing in the Catalogue: name of a company (English and Russian lettering if available), post address, phone and fax number, E-mail, website, brief story about the company's activities (200 signs in English and 200 signs in Russian including spaces and stops). Only generally adopted abbreviations are possible to use.

If informational entry is more than 200 signs it should be paid additionally (according to a special invoice) as well as a logo and advertising pages (prices are available in the Exhibitor's Manual).

16. Advertising, Filming and Photography

The advertising of all kinds is allowed only within the stand rented by the Exhibitor and only in the interests of Exhibitor's / Co-exhibitor's company.

The advertising of all kinds out of the exhibition space rented by the Exhibitor (in isles, at entrances, nearby entrances, sound and moving) should be agreed with SALON DIRECTORATE. Otherwise the Exhibitor will meet penalty provision.

Taking photographs, films and video recording with the professional equipment should be made by mass-media representatives accredited in the Press-center of MAKS 2011.

The SALON DIRECTORATE is entitled to arrange photo or video recording of events at the fair grounds or any structures, stands, exhibits and persons and to use these for advertising or press releases of the event. No objections to this may be raised by exhibitors for any reasons. This also applies to recording made by press or television crews with the approval of the SALON DIRECTORATE. Exhibitors agree to waive all claims based on copyright infringement.

17. * Visa and Travel Formalities

Upon request the SALON DIRECTORATE will provide exhibitors/ business visitors with a Letter of Invitation valid for getting visa.

All persons coming to the Salon on behalf of the Exhibitor or his representatives must be indicated in the lists of personnel (Forms 5, 5.1).

The personal data must be submitted to the SALON DIRECTORATE not later than **1 month prior to the opening of the Salon** to ensure that visa support is forwarded to the Exhibitor in time.

18. Direct Sales and Souvenir Sales

Direct sales of souvenirs, magazines, books, model aircraft, etc. at the Exhibitor's stands are prohibited. There are special trade zones at the exhibition site. The SALON DIRECTORATE will inform you on Trade rules and regulations upon request.

19. Violation of General Conditions of Participation

If the Exhibitor violates items of these General Conditions of Participation, the SALON DIRECTORATE has a right to withdraw the Contract. In this case the Exhibitor is not entitled to reimbursement of the fees paid.

20. Force Majeure

The Organizer and the Exhibitor do not bear responsibility for default from obligations of the Contract in the reasons of force-majeure.

21. Conclusion

By submitting the Application for Participation and concluding the Contract for participation, the Exhibitor acknowledges these Conditions of Participation in all points. Any additional agreements, special permissions or other regulations are subject to written approval of the SALON DIRECTORATE.

22. Jurisdiction

The Law of the Russian Federation is applied to both parties of the Contract.

The parties will try to resolve conflicts through negotiations. If the conflict is not resolved, it will be submitted for legal investigation to the Arbitrage of the Moscow region.