



IATA STANDARD GROUND HANDLING AGREEMENT

STANDARD GROUND HANDLING AGREEMENT - SIMPLIFIED PROCEDURE

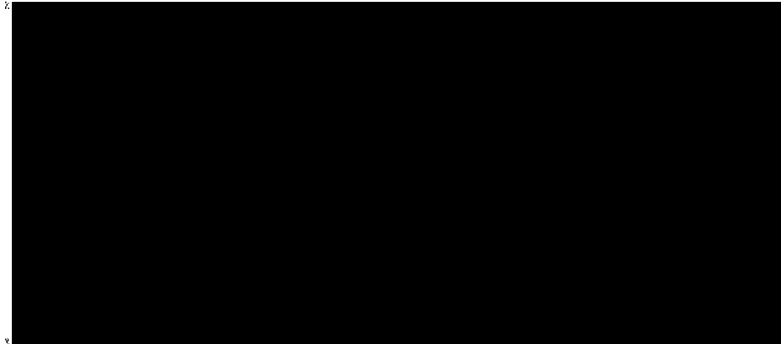
Annex B 1.0 - Location(s), Agreed Services and Charges

to the Standard Ground Handling Agreement (SGHA) of January 2013

between:

having its principal office at:

Vat reg. number
acting through:



hereinafter referred to as "the Carrier"

and: **Czech Airlines Handling a.s.**

having its principal office at: Aviaticka 1017/2, Ruzyne Airport
160 08 Prague 6,
Czech Republic

VAT reg. number: CZ699003361

Registered in: Trade Register of Municipal Court in Prague, section B,
insert 17139

acting through: Jiří Jarkovský, Vice Chairman of the Board of Directors, and
Michal Soukup, Member of the Board of Directors

hereinafter referred to as "the Handling Company"

effective from: 01.08.2014

This Annex B 1.0

for the location(s): Prague (PRG)

is valid from: 01.08.2014

and replaces: Annex B 1.1 dated 01. November 2010

PREAMBLE:

This Annex B is prepared in accordance with the simplified procedure whereby the Carrier and the Handling Company agree that the terms of the Main Agreement and Annex A of the SGHA of 2013 as published by the International Air Transport Association shall apply as if such terms were repeated here in full. By signing this Annex B, the parties confirm that they are familiar with the aforementioned Main Agreement and Annex A.





Paragraph 1 - Handling Services & Charges

- 1.1. For a single ground handling consisting of the arrival and the subsequent departure under at agreed timings of the same aircraft, the Handling Company shall provide the following services of Annex "A" at the following rates.

SECTION 1. MANAGING FUNCTIONS

1.1 Representation

1.1.2 Liaise with local authorities.

1.1.3 Indicate that the Handling Company is acting as handling agent for the Carrier.

1.1.4 Inform all interested Parties concerning schedules of the Carrier's aircraft.

1.2 Administrative Functions

1.2.1 Establish and maintain local procedures.

1.2.2 Take action on communications addressed to the Carrier.

1.2.3 Prepare, forward, file and retain for a period specified in the Annex B, messages/reports/statistics/documents and perform other administrative duties in the following areas.

(a) station administration

(b) passenger services

(c) ramp services

(d) load control

(e) flight operations

(f) cargo services

(g) mail services

(h) support services

(i) security

(j) aircraft maintenance

(k) other, as specified in Annex B

1.2.4 Maintain the Carrier's manuals, circulars, and other operational documents connected with the performance of the services.

1.2.5 (a) Check

(b) Sign

(c) Forward

on behalf of the Carrier items including, but not limited to, invoices, supply orders, handling charge notes, work orders (to read: supply orders only)

1.2.6 Effect payment, on behalf of the Carrier, including but not limited to:

(b) out-of-pocket expenses, accommodation, transport.(for occasional expenses only)

1.3 Supervision and/or Co-ordination

1.3.1 (a) Supervise

(b) Co-ordinate

services contracted by the Carrier with third party(ies)

1.3.2 Provide Turnaround coordinator (TRC) - (to be understood Ramp Control Agent)

1.3.3 Ensure that the third party(ies) is(are) informed about operational data and Carrier's requirements in a timely manner.

1.3.4 Liaise with the Carrier's designated representative





- 1.3.5 Verify availability and preparedness of personnel, equipment, Loads, documentation of third party(ies).
- 1.3.6 Meet aircraft upon arrival and liaise with crew.
- 1.3.7 Decide on non-routine matters.
- 1.3.8 Verify dispatch of operational messages.
- 1.3.9 Note irregularities and inform the Carrier.

SECTION 2. PASSENGER SERVICES

2.1 General

- 2.1.1 Inform passengers and/or public about time of arrival and/or departure of Carrier's aircraft and surface transport.
- 2.1.2 Make arrangements for, transfer and transit passengers and their baggage and inform them about services available at the airport.
- 2.1.3 When requested by the Carrier,
 - (a) Provide special equipment, facilities and specially trained personnel, for assistance to
 - 1. unaccompanied minors.
 - 4. transit without visa passengers (TWOVs).
 - 5. deportees.
 - 7. others, as specified in Annex B.
 - (b) Arrange for
 - 2. persons with reduced mobility (PRMs)
 - 3. VIPs
 - 6. special medical transport
- 2.1.4 (a) Provide passenger assistance when flights are interrupted, delayed or cancelled. Such assistance shall include:
 - 1. Meal vouchers
 - 2. Rebooking
 - 3. Transportation
 - 4. Hotel accommodation
 - 5. Personnel
- 2.1.5 Arrange storage of baggage in the bonded store
- 2.1.6 (a) Notify the Carrier of complaints and claims made by the Carrier's passengers.
- 2.1.7 Report to the Carrier any irregularities discovered in passenger and baggage handling.
- 2.1.8 (a) Provide
 - 1. check-in counter(s)
 - 2. service counter(s)
 - 3. transfer counter(s)
 - 4. lounge facilities (at separate charge)
 - 5. set up of Carrier specific items, such as but not limited to carpets, mobile signage, queuing control stanchions (items to be provided by Carrier)
 - 6. other facilities as specified in Annex B





2.2 Departure

2.2.1 Perform pre-flight editing

2.2.2 Check and ensure

(a) that tickets are valid for the flight(s). The check shall not include the fare.

At the following locations:

1. check-in area
3. transfer counter
4. gate
6. other as specified in Annex B

2.2.3 (a) Check travel documents for the flight(s) concerned. In the event that the Handling Company does not have access to information that verifies visa validities the Handling Company will not have liability. The Handling Company shall not be liable for immigration fines in the event of non-bona fide travel documents or other events which are outside of their control.

(b) Enter passenger and/or travel document information into Carrier's and/or government system.

At the following locations:

1. check-in area
3. transfer counter
4. gate
6. other as specified in Annex B

2.2.4 (a) Weigh and/or measure checked and/or cabin baggage,
(b) Record baggage figures for

1. initial flight.
2. subsequent flight(s). At following locations:
 - (a)** check-in area
 - (c)** transfer counter
 - (d)** gate
 - (f)** other as specified in Annex B

2.2.5 Excess baggage

(a) determine excess baggage
(d) detach applicable excess baggage coupons

At the following locations:

1. check-in area
3. transfer counter
4. gate when technically possible
6. other as specified in Annex B

2.2.6 Tag

(a) checked baggage
(b) cabin baggage
for

1. initial flight.
2. subsequent flight(s).





At the following locations:

- (a) check-in area
- (c) transfer counter
- (d) gate
- (f) other as specified in Annex B

2.2.7 Effect conveyance of checked baggage to the baggage sorting area

At the following locations:

- (a) check-in area
- (d) gate
- (e) other as specified in Annex B

2.2.8 Effect conveyance of Out of Gauge (OOG) checked baggage to the baggage sorting area

At the following locations:

- (a) check-in area
- (d) gate
- (e) other as specified in Annex B

2.2.10 (a) Carry out the Carrier's seat allocation or selection system

- (b) Issue boarding pass(es)
- (c) Detach applicable flight coupons for

1. initial flight.
2. subsequent flight(s)

At the following locations:

- (a) check-in area
- (c) transfer counter
- (d) gate
- (f) other as specified in Annex B

2.2.11 Handle

- (a) Denied Boarding process

At the following locations:

1. check-in area
4. gate
5. other as specified in Annex B

2.2.12 Direct passengers

- (a) through controls to departure gate
- (b) to connecting transport to the airport, in case of off airport services.

2.2.13 Handle upgrade/downgrade functions At the following locations:

- (a) check-in area
- (d) gate
- (e) other as specified in Annex B





2.2.14 Handle standby list

At the following locations:

- (a) check-in area
- (d) gate
- (e) other as specified in Annex B

2.2.15 At the gate perform

- (a) verification of cabin baggage
- (b) boarding process
- (c) reconciliation of passenger numbers with aircraft documents prior to departure
- (d) other gate functions as specified in Annex B

2.2.16 (a) collect

- (b) reconcile
- (c) handle and forward to Carrier transportation documents (flight coupons, or other flight related documents) uplifted from departing passengers

2.2.17 Perform post-flight editing

2.3 Arrival

2.3.1 (a) Perform for night stop flights

- (b) Arrange for transit flights

opening/closing aircraft passenger doors

2.3.2 Direct passengers

- (a) from aircraft through controls
- (b) arriving from the airport, in case of off airport services.

2.3.3 (a) Provide

1. Transfer counter
2. Connection services
3. Baggage recheck

2.3.4 Handle lost, found and damaged property matters.

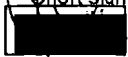
- (a) Provide

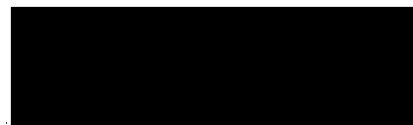
1. acceptance of baggage irregularity reports
2. entering of data into baggage tracing system
3. maintaining baggage tracing system files for period specified in Annex B (according to procedures (PSM/L&F) incl. tracing up to 5 days)
4. making payments for incidental expenses (SOKO compensation – Spot Cash payments to be disbursed at office)
6. handling of communications with passengers
7. repair or replacement of damaged baggage

2.3.4 Handle lost, found and damaged property matters.

- (b) Arrange

5. delivery of delayed baggage to passengers





SECTION 3. RAMP SERVICES

3.1 Baggage Handling

3.1.1 Handle baggage in

1. baggage sorting area.
2. other location(s) as specified in Annex B

3.1.2 Prepare for delivery onto flights

- (a) bulk baggage
- (b) ULDs
- (c) baggage accepted at a location as specified in Annex B

3.1.3 Establish the number and/or weight of

- (a) bulk baggage
 - (b) built-up ULDs
- and provide the load control unit with the information

3.1.4 Offload

- (a) bulk baggage
- (b) ULDs.

3.1.5 Prioritise baggage delivery to claim area.

3.1.6 Deliver to claim area

- (a) baggage
- (b) Out of Gauge (OGG)

3.1.7 Transfer baggage

- (a) Provide
- (b) Arrange for
 1. Sortation of transfer baggage.
 2. Storage of transfer baggage prior to dispatch (storage time limits to be specified in Annex B).
 3. Transport of transfer baggage to the sorting area of the receiving carrier.

3.1.8 Handle crew baggage.

3.2 Marshaling

3.2. (b) Arrange for marshaling at arrival and/or departure.

3.3 Parking

3.3.1 (a) Provide

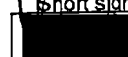
- (b) Position and/or remove

wheel-chocks.

3.3.2 (a) Provide

- (b) Position and/or remove

6. Safety cones.
7. Other items as specified in Annex B.





- Cabin door closure check
- Aircraft switch off
- GPU disconnection (if necessary)

3.4 Ancillary Items

3.4.1 (a) Provide

(c) Operate

1. Ground power unit 60 minutes for T/A and 90 minutes for Night Stop
2. Fixed ground power
3. Cooling unit on request at extra charge
4. Heating unit on request at extra charge
5. Air start unit one start free per T/A thereafter at extra charge

3.5 Ramp to Flight Deck Communication

3.5.1 Provide headsets.

3.5.2 Perform ramp to flight deck communication

- (a)** during push-back.
- (c)** during engine starting.
- (d)** for other purposes.

3.6 Loading and Unloading

3.6.1 (a) Provide

(c) Operate

1. passenger steps

(b) Arrange for

3. loading bridges

3.6.2 (a) Provide

2. crew transport between aircraft and airport terminal(s) (at separate charge)

(b) Arrange for

1. passenger transport between aircraft and airport terminal(s)

3.6.3 (a) Provide

(c) Operate

Equipment for loading and/or unloading.

3.6.4 (a) Provide delivery and pick-up of

1. Baggage
2. Mobility devices at aircraft doors or other agreed points

3.6.5 (a) Provide assembly and transport of

1. Baggage
2. General cargo





3. Special shipments
4. Mail
5. Documents
6. Company mail between agreed points on the airport

- 3.6.6 (a)** Unload aircraft, returning lashing materials to the Carrier.
(b) Load and secure Loads in the aircraft
(c) Redistribute Loads in aircraft.
(d) Operate in-plane loading system.
(e) Report final load distribution to the Load Control unit.

- 3.6.7** Open, close and secure aircraft hold doors.
(a) aircraft lower deck
(b) aircraft main deck

- 3.6.8 (b)** Arrange for ballast

- 3.6.9 (a)** Provide (on request and at additional charge)

safeguarding of all Loads requiring special handling during

1. loading/unloading
2. transport between aircraft and designated point on the airport

3.7 Safety Measures

- 3.7.1 (a)** Provide

1. portable fire extinguisher on motorized/self-propelled ramp equipment
2. ramp fire extinguisher, if not provided by airport authority

- (b)** arrange for

1. attendance of airport fire services at aircraft

- 3.7.2** Perform visual external safety/ground damage inspection of

- (a)** doors and panels and immediate surroundings

- (b)** Other inspection items as specified in Annex B

1. immediately upon arrival
2. immediately prior departure and communicate the results to flight crew or Carrier's representative

- 3.7.3** Check that all doors and access panels are properly closed and locked.

3.8 Moving of Aircraft

- 3.8.1 (a)** Provide

1. Tow-in and/or push-back of aircraft
2. Towing of aircraft between other points
4. Wing-walker(s)

- 3.8.2 (a)** Towbar to be provided by the Carrier.

- (b)** Towbar to be provided by the Handling Company (except for CRJ families)

- (c)** Store and maintain towbar(s) provided by the Carrier



3.10 Interior Cleaning

3.10.1 Clean

- (a) flight deck, if specified, under the control of a person authorised by the Carrier
(b) passenger and crew compartments (other than flight deck)
2. dispose of litter.
 3. clear waste from overhead stowage
 4. wipe tables
 5. seats, seat back pockets and passenger service units
 6. floors
 7. empty refuse bins
 8. surfaces in pantries, galleys (sinks, working surfaces, ovens and surrounds) and toilets (wash basins, bowls, seats, mirrors and surrounds)
 9. remove, as necessary, any contamination caused by airsickness, spilled food or drink and offensive stains

3.10.2 Remove and dispose of

- (a) litter/waste
(b) food and food-related material (galley waste)

3.10.3 Perform cabin dressing

- (b) Arrange seat belts
(f) Restock toilet items (material to be provided by Carrier)
(g) Replace/restock seat back pocket items
(h) Other cabin items as specified in Annex B
1. Materials provided by the Carrier

3.11 Toilet Service

3.11.1 (a) Provide

1. Servicing (empty, clean, flush and replenish fluids).
2. triturator/disposal service

For Night Stop included. Others on request at extra charge.

3.12 Water Service

3.12.1 (a) Provide

1. Draining tanks.
2. Replenish tanks (water standard as specified in Annex B)
3. Water quality tests.

For Night Stop included. Others on request at extra charge.

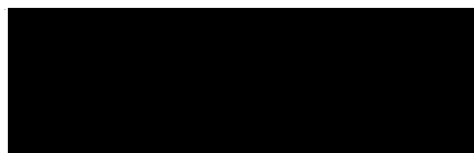
3.16 De-icing/Anti-icing Services and Snow/Ice Removal separate contract

SECTION 4. LOAD CONTROL AND FLIGHT OPERATIONS

4.1 Load Control

- 4.1.1 Deliver load control related documents between aircraft and airport buildings and vice versa.





**4.1.2 (a) Process
(b) Sign**

documents and information, including but not limited to, loading instructions, load and trim sheets, Captain's load information and manifests where:

1. Load Control is performed by the Handling Company ([redacted] flights)
2. Handling Company is performing inputs/updates when Load Control is performed by the Carrier or third party ([redacted] flights)

4.2 Communications

4.2.1 Inform all interested Parties concerning movements of the Carrier's aircraft.

4.2.2 (a) Compile, receive, process and send all messages in connection with the services performed by the Handling Company. The Handling Company is authorized to use

Carrier's originator code or double signature procedure

(b) Inform the Carrier's representative of the contents of such messages

**4.2.3 (a) Provide
(b) Operate**

means of communication between the ground station and the Carrier's aircraft.

4.3 Flight Operations

4.3.1 Inform the Carrier of any known project affecting the operational services and facilities made available to its aircraft in the areas of responsibility as specified in Annex B.

4.3.2 (b) Arrange for meteorological documentation and aeronautical information (float package)

1. at the airport location as defined in Annex B

4.3.3 (a) Provide

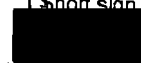
delivery of flight operations related documentation to the aircraft and obtain signature of the pilot-in-command, where applicable

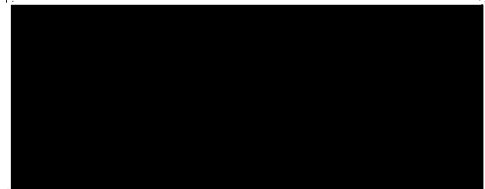
1. at the airport location as defined in Annex B

4.3.4 (b) request

make available the operational flight plan according to the instructions and data provided by the Carrier

1. at the airport location as defined in Annex B ([redacted] package)





4.3.5 (b) Request

(d) File

the Air Traffic Services ("ATS") Flight Plan.

1. at the airport location as defined in Annex B (Float package)

4.3.6 (b) Manage

the Carrier's slot time allocation with the ATS

1. at the airport location as defined in Annex B

4.3.7 Provide the crew with a briefing

4.3.8 (c) Deliver

1. the fuel order

4.3.9 Provide ground handling party(ies) with weight and fuel data

4.3.10 Obtain a debriefing from incoming crews, distributing reports or completed forms to offices concerned.

4.4 Crew Administration

4.4.1 Distribute crew schedule information provided by the Carrier to all parties concerned.

**4.4.2 Arrange hotel accommodation for crew layover
(b) non-scheduled (e.g. in case of irreg)**

4.4.3 (b) Arrange for crew transportation to/from off airport locations (covered by separate agreement)

4.4.4 Direct crews through airport facilities

4.4.5 Liaise with

1. crew layover hotel(s)
2. crew transportation company
3. on crew call and pick-up timings

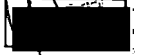
4.9.7 Inform the Carrier representative of any crew indisposition or potential absence.

SECTION 6. SUPPORT SERVICES

6.1 Accommodation

6.1.1 Provide the Carrier with

- (b) storage space (to read: storage of CKI-material)**
- (c) other facilities, as specified in Annex B**





6.2 Automation/Computer Systems

6.2.1 (a) Provide (c) Operate

computer hardware and other equipment (as specified in Annex B) to enable access to

1. Carrier's system

6.2.2 Perform the following functions in

- (a) Carrier's system**
1. Training.
 3. Passenger service
 4. Baggage reconciliation.
 5. Baggage tracing.
 6. Operations, load control.
 11. Other functions

6.2.2 Perform the following functions in (c) other system for

5. Baggage tracing.

6.2.3 Manage Automated Self Check-in device(s) and

- (b) Arrange for**
1. Stock control
 2. Stock replenishment
 3. Hosting
 4. Routine maintenance
 5. Servicing and repair
 6. Other, as specified in Annex B

6.3 Unit Load Device (ULD) Control

6.3.1 (a) Provide

1. passenger ULDs
4. other ULDs

6.3.2 Take action to prevent damage, theft or unauthorized use of the Carrier's ULDs in the custody of the Handling Company. Notify the Carrier immediately of any damage or loss.

- 6.3.3 (a) Take physical inventory of ULD stock and maintain records.
(b) Compile and despatch ULD control messages**

6.3.5 Handle lost, found and damaged ULDs and notify the Carrier of such irregularities.



6.5 Ramp Fuelling/Defuelling Operations

6.5.1 Liaise with ramp fuel suppliers.

6.5.3 Supervise fuelling/defuelling operations. (only safety related matters)

6.6 Surface Transport

6.6.1 (b) arrange for the transport of

1. passengers
2. baggage
 - (b) airport and other agreed points
 - (c) separate terminals at the same airport

6.7 Catering Services—Liaison and Administration

6.7.1 Liaise with the Carrier's catering supplier (On request, ad-hoc cases only)

6.7.2 Handle requisitions made by the Carrier's authorised representative. (On request, ad-hoc cases only)

SECTION 7. SECURITY

7.1 Passenger and Baggage Screening and Reconciliation

7.1.2 (b) Arrange for

1. screening of checked baggage.
2. screening of transfer baggage.
3. screening of mishandled baggage.
4. physical examination of checked, transfer and mishandled baggage.
5. identification of security cleared baggage.

7.1.3 (b) Arrange for

1. screening of passengers.
2. screening of cabin/unchecked baggage.
3. physical examination of passengers and cabin/unchecked baggage.

7.1.4 (a) Provide

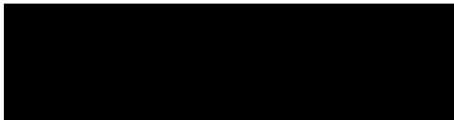
1. identification of passengers prior to boarding. (as per Carrier's disposition)
2. reconciliation of boarded passengers with their baggage.
3. positive baggage identification by passengers.
4. offloading of baggage for passengers who fail to board the aircraft.

7.4 Ramp

7.4.1 (b) Arrange for control of access to

1. aircraft.
2. designated areas.





- 1.5 No extra charges will be made for providing the services at night, on legal holidays, weekends, turnarounds or overnight stops.
- 1.6 In case of flight cancellation due to schedule change or rotation, no charges shall apply
- 1.7 Handling of ferry flights will be charged as follows:

Live in / Ferry out	50	%
Ferry in / live out	50	%
Ferry in / Ferry out	50	%

 of the rates under in Sub-Paragraph 1.1.2.
- 1.8 Pricing of new aircraft types

If aircraft types – which are not mentioned in Annex B – are introduced by the Carrier, the charges shall be mutually agreed between the Handling Company and the Carrier, based on a pro-rata comparison on a/c seating capacity.
- 1.9 For the Utilization of the Handling Company's Crystal Lounge under section 2.1.9 (a)(3) a charge of CZK per passenger shall apply.

Total pax numbers/month

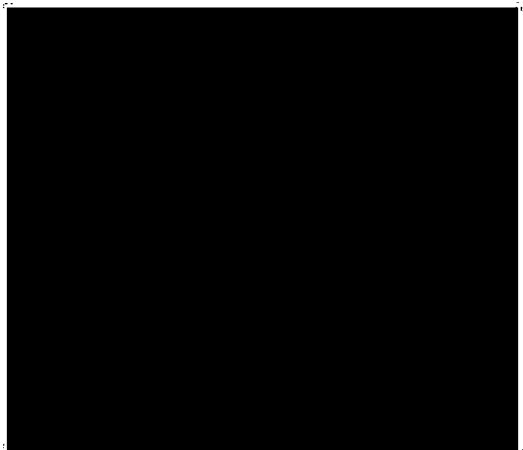
1	-	350		per PAP
351	-	700		per PAP
701	-	1500		per PAP
1501	-	more		per PAP

Note: Total pax volume nbr to be understood

Paragraph 2 - Additional Charges in CZK (if not part of the Services under Para 1.1.1)

- 2.1 2.1.3 Special assistance (UM, WCHC)
INAD
- 3.4.1 (a,c) (1) GPU, after 60/90 minutes
- 3.4.1 (a,c) (3) Cooling unit
- 3.4.1 (a,c) (4) Heating unit
- 3.4.1 (a,c) (5) Air Start Unit (one start free)
- 3.6.2 (a) (2) Crew transport
- 3.6.8 (a) Provision of Ballast
- 3.8.1 (a) (1) Push back (additional)

- 3.8.1 (a) (2) Towing, additional



2.2 Coordination Services:

Both parties agree that the Coordination Services shall apply in the following cases, if there is no representative from the Carrier on Duty:

- (1) Flight Cancellation/ Diversion



- (2) Weight Restricted Flights which result in passenger offloads and delays
- (3) Overbooked Flights which result in passenger offloads and delays
- (4) Delays > 2h

In case of irregularities as mentioned above there shall be one supervisor dedicated to operations ensuring an independent handling of the irregularity situation.

The supervisor

- Shall ensure initial communication to Carrier's service center/ re-booking unit
- Shall ensure cancellation of all affected passengers from check-in
- During the process shall act as point of contact to the Carrier's service center/ re-booking unit to ensure prompt handling of the passengers
- Shall perform screening of passenger list and define protection/ re-booking strategy accordingly (including triggering of NFID or equivalent)
- Shall act as single point of contact for Passengers (including general information on type and reason of irregularity and procedure how re-bookings are handled) and Airport Authorities
- Shall coordinate other necessary measures to be taken in case of an irregularity, including but not limited to issuance of vouchers (f.e. meals, hotel, beverages, ground transport, and/ or arrangements for accommodation and/ or ground transport,
- Shall strictly adhere to the Carrier's communication process
- Shall prepare Final Irregularity Management Report as per Carrier's Instruction

Described above Coordination Services will be charged with [redacted] CZK per occurrence (disrupted flight)

2.3 All other services neither included in Paragraph 1 nor mentioned in Sub-Paragraph 2.1 will be charged for according to attached pricelist minus a discount [redacted]. In case of any updates or changes in the pricelist, the Carrier has to be notified by the Handling Company right after publication.

2.4 Passenger stairs shall be provided for the period of standard turnaround times - 1 hr for narrow body A/C, 1.5 hrs for wide body A/C in the following number:

A/C	no. of stairs
[redacted]	nil
All other narrow body aircraft types	one stair

For the aircraft positioned at remote positions one additional stair is free of charge.

Paragraph 3 - Disbursements

- 3.1. The handling charges agreed upon do not include disbursements which may arise to the Handling Company in connection with the services provided for the Carrier. The Carrier will reimburse such expenses to the Handling Company at cost price plus [redacted].
- 3.2. The Handling Company supports the Carrier in its efforts and general practice that any possible third party invoices (e.g. irreg cost like HOTAC and meal/refreshment cost) will be billed directly to the airline to avoid billing through the Handling Company. Baggage Delivery (Lost Bag IRREG / PIR) has to be billed directly to the Carrier (no disbursement fee to be applied).



Paragraph 4 - Communication

- 4.1. The Handling Company shall be entitled to use the Carrier's originator code in all messages dispatched on behalf of the Carrier.

Paragraph 5 – Subcontracting

- 5.1 In accordance with Sub-Article 3.1 of the Main Agreement, the Handling Company subcontracts the services of Annex A Section(s) 2, items 2.1.3 b (2,6) to company:

MAID PRO s.r.o,

ID No.: 273 70 267,

with its registered office at: Praha 6 - Ruzyně, K Letišti 1049/57, PSČ 161 00

Paragraph 6 - Handling Requirements and Auditing

- 6.1 The Handling Company guarantees to fulfil all obligations resulting from applicable law, applicable agreements and /or applicable mandatory local requirements (this applies particularly to social law, labour law, and collective labour agreement).
- 6.2 The Handling Company is requested to provide all of the support vehicles and equipment for aircraft/ground requirements necessary to service the aircraft operations.
- 6.3 It will be the Handling Company's responsibility to pay all social contributions (e.g. fees, taxes, charges etc.) resulting from social legislation, labour and foresight of the Handling Company's directors, officers, agents, servants, employees, subcontractors etc. including insurance and work accidents.
- 6.4 It will be the Handling Company's responsibility to guarantee to the Carrier that the Handling Company's directors, officers, agents, servants, employees, subcontractors etc. are security checked and fully comply with local security and safety regulations.
- 6.5 The Handling Company will make sure that the personnel assigned to the Carrier's operation meets the EU OPS requirements set out in **Attachments 2-3** to this Annex B at all times.
- 6.6 As the Handling Company will have access to confidential data including but not limited to PNRs both parties have agreed to sign a **Data Protection Clause** attached hereto as **Attachment 4**.
- 6.7 Credit Card Industry Standards

Czech Airlines Handling a.s. and its subcontractors shall at all times during the Term of this Agreement comply with these requirements of the current Payment Card Industry Data Security Standard (PCI DSS) issued by the PCI Security Standards Council and determined between Czech Airlines Handling a.s. and [REDACTED] and all subsequent replacing standards or versions thereof and provide the respective certificate. The Parties will agree on the respective requirements on regular basis, in particular in case of any changes to the PCI DSS. In the event that the Parties could not agree on these requirements, [REDACTED] has the right to terminate the Agreement with immediate effect.





Paragraph 7 – Qualification Requirements

7.1. In order to support the fulfilment of this Contract, the Handling Company will provide competent staff, which has been trained in general IATA/airline and basic service standards. The general training must be complemented with relevant [REDACTED] specific training. At regular intervals (2 years) refresher training will update this knowledge.

7.2.1 The [REDACTED] Training Department will provide counseling to determine the required qualification and delivery method.

7.2.2 In case additional and special qualification is needed to fulfil the Carrier's specific requirements, the Carrier will provide initial training prior to the start of this agreement. This shall also apply when the Carrier implements new systems and – if in the opinion of the Carrier applicable - procedures (e.g. new DCS).

Initial training will be provided by qualified [REDACTED] trainers and a training plan must be agreed upon in due time.

At the latest four weeks before taking over operation a detailed training plan must be agreed between the Handling Company and the responsible Lufthansa Group representative with basic information e.g.

- kind of training
- number of staff to be trained
- if possible with names

which must be confirmed by the respective [REDACTED] training center. Minimum 8 persons per class should be taken into consideration. Should additional training be required later, which was not part of the agreed training plan, this is not considered to be an initial training anymore.

In case of additional need for training due to increase of flights this will be considered as initial training.

7.2.3 A Train - the – Trainer concept is not considered as initial training.

7.2.4 In addition to class room training, an internet based training platform is available for implementation of a blended learning qualification concept. Blended Learning combines web-based-training, on-the-job-support and class room training.

7.3. [REDACTED] will provide advice on organization, information and the availability of up-to-date Web-Based Training content, as well as guidelines for on-the-job support without any additional fee.

7.4. The Handling Agent will nominate a contact person for all training issues.

The handling agents training coordinator is [REDACTED]
e.mail: [REDACTED]

7.5. The Handling Agent agrees to roster the required training time. Based on the Carrier's concept, the training will be handled in a suitable, separate room with adequate learning



environment.

- 7.6. The usage of training activities will be monitored by the Carrier's management. The Carrier is able to provide this data upon request.
- 7.7. For classroom training elements, the Carrier will provide the Trainer. The training room, and necessary training room equipment is provided by the Handling Agent. Furthermore the Handling Agent will bear the working hours (possibly overtime hours) costs for its participating employees as well as the daily allowances and overnight expenses should they arise.
- 7.8. All costs for recurrent and/or replacement training (e.g. DGR) will be borne by the Handling Agent Company. In cases where the Carrier implements new systems and – if in the opinion of the Carrier applicable - procedures (e.g. new DCS); training costs for the initial training (system migration/procedural initial training) are at the cost of the carrier whereas Paragraph 7.7. shall still apply.
- 7.9. It is agreed between both parties, that improvement in handling agent staff know-how does not entitle the Handling Agent to raise its handling charges.
- 7.10 The Handling Company shall ensure that all persons handling [REDACTED] flights complete a security awareness training in accordance with the regulations of the respective authority as well as any instructions of [REDACTED] before being assigned any handling duty for [REDACTED] flights. Recurrent training has to be performed at least every 5 years and duly recorded. Such records shall be made available to [REDACTED] upon request. All cost shall be borne by the Handling Company.

Paragraph 8 - Quality Standards

- 8.1 In accordance with Sub-Article 5.8 of the Main Agreement the parties have agreed to sign a Quality Standard Agreement which shall become an **Attachment 1** to this Annex B. The Attachment shall be effective from the same effective date of this Annex B.
- 8.2 The local representatives or any other designated persons from the Parties will meet at mutually agreed intervals to monitor the actual performance and inform each other on projects likely to have impact on agreed standards.
- 8.3 Both parties agree to meet annually to adapt the targets as defined in the Service Level Agreement if necessary based on mutual agreement.
- 8.4 The reference for quality and safety procedures in handling operations is the Passenger Handling Manual of [REDACTED] (PHM) and the Aircraft Handling Manual of [REDACTED] (AHM). The Handling Company expressly agrees that the whole content of the [REDACTED] PHM and AHM apply to this agreement.
- 8.5 Handling Company's agents in front desk positions shall speak English (beside their mother language) and whenever possible [REDACTED] speaking staff should be made available.

Paragraph 9 - Liability and Indemnity

Notwithstanding Article 8 of the Main Agreement, liability and indemnity shall be as follows:





Liability shall be as follows:

	USD	1.000.000
	USD	750.000
	USD	500.000
	USD	250.000

Paragraph 10 - Insurance

10.1. The Handling Company shall at its own cost and expense procure and maintain in full force and effect during the term of this Agreement the following insurance covering the operation of the Handling Company under this Agreement and provide the Carrier with a certificate of insurance evidencing the following coverage and provisions:

- Aviation General Legal Liability including but not limited to Premises, Contractual and Products Legal Liability with a minimum Combined Single Limit of USD 500,000,000 each occurrence (but in the aggregate for Products Legal Liability).
- Comprehensive General Legal Liability including but not limited to contractual and premises liability in an amount not less than about USD 2,000,000 (CZK 40,000,000 by insurance policy) and automobile liability insurance (for vehicles on public roads) in an amount not less than about USD 5,000,000 (CZK 100,000,000 by insurance policy).
 - In respect of this liability insurance
 - a) the Carrier, its directors, officers, agents, servants, employees and subcontractors shall be named as additional insured;
 - b) such insurance shall be primary and non-contributory with respect to any other applicable insurance carried by the Carrier;
 - c) the policies shall contain a severability of interest clause and
 - d) provide that the outlined coverage shall not be invalidated with respect to the interest of the Carrier, its directors, officers, agents, servants employees and its subcontractors by any act or omission or breach or violation of the Handling Company of any of its obligations contained in the insurance policies and
 - e) to recognise the indemnification provision as set forth in this Agreement and
 - f) confirm a 30 (thirty) days written notice-period of cancellation or material change in favour of the Carrier.

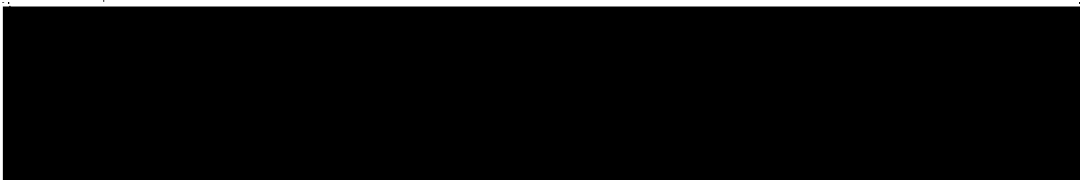





Paragraph 11 - Adjustment of charges & Quantity discount

11.1 With reference to Article 6 of the Main Agreement the Carrier and the Handling Company mutually agree that the handling charges stipulated in this Annex B are fixed for the duration of this contract (except for CPI) and that Article 6.2 of the Main Agreement shall not apply.

The rates quoted for the Services stipulated in Paragraph 1 shall be automatically subject to annual increase based on the CPI on every anniversary date of this Annex B and, hence, for the first time on 01st August 2015 as follows:



11.2 Notwithstanding the provisions of Sub-Article 11.4 and 11.5 of the Main Agreement, the term of this contract shall be for a period of 4 years commencing 01st August 2014, through 31st July 2018. 11.3 Notwithstanding Sub-Paragraph 11.1, both Parties are aware that due to technical progress the trend to "off-counter check in" is continuously increasing, consequently resulting in less numbers of passengers using the classic check-in counters. Notwithstanding Sub-Paragraph 11.1, in order to meet these developments, all cost reductions resulting from the shift of counter to "off-counter check-in" or self-service check-in devices (e.g. SSD, CUSS, Web check-in a.o.) shall be fully transferred into the handling rates agreed upon in Paragraph 1.1.2 New additional processes which need to be implemented while adapting the check in procedures (e.g. bag-drop counters, CUSS assistance, help desk phone assistance, APIS Data update etc.) shall also be taken into account while calculating the overall cost reduction for the service provider. At the beginning of the contract period, the baseline for further enhancement needs to be established. The evaluation shall be done once per year and the relevant findings shall be reflected in the future charges considering the adapted check-in set up for the following twelve months. The cost reductions respectively cost increases resulting from adapted processes are shown by the service provider in a transparent way taking into consideration the change in man-hour, rent and IT. Not applicable for case of DCS change resulting in switch from dedicated to common check-in.

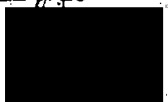
11.4 Notwithstanding Sub-Paragraph 11.1 as soon as the Carrier decides to introduce a **Cargo Embargo** for certain flight-numbers at certain traffic days, a reduction of  per avoided cargo running movement (per ride between A/C/ Warehouse or vv.) shall apply.

It is agreed that the Cargo Embargo has to be announced 2 weeks in advance. There shall be no adjustment for a specific flight if - in contrary to the Cargo Embargo - cargo has been loaded and has to be handled. Further details shall be mutually agreed upon in an attachment to this Annex B.

11.5 Notwithstanding Sub-Paragraph 11.1 if at any time the procedures and/or processes and/or products required to provide the services under this agreement change on the Carrier's the above mentioned charges under paragraph 1.1.2 shall be re-negotiated and adjusted accordingly. This should be based on open book policy on the costs.

Paragraph 12 - Settlement

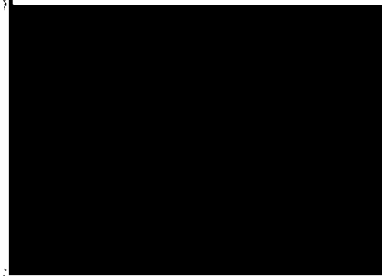
12.1 Notwithstanding Sub-Article 7.2 of the Main Agreement, settlement of account shall be effected in local currency through the Carrier's office. The amount due shall be payable





within 30 days after receipt of the invoice. The day of receipt of invoices is considered to be the third day of issue of the invoice.

All invoices to be sent to:



Bank details of the Handling Company:

Currency: CZK

Beneficiary: CZECH AIRLINES HANDLING, a.s.

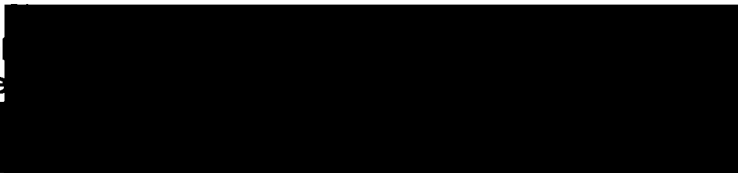
Name of bank:

Address of bank:

Account number:

SWIFT/BIC:

IBAN:



12.2 Invoices must be completely transparent and written in English. All invoices have to show the kind of services/ exact dates/ period for invoicing and exact numbers of events (i.e handled flights, UM's, wheelchairs, etc.) during that period along with the agreed rate as per valid contract.

Incomplete invoices will be rejected and will cause a delay in the settlement of accounts.

12.3 Data Submission of invoices via [redacted] platform is agreed by both parties.

12.3 Electronic transmittance of invoices (via [redacted]) is agreed by both parties.

Paragraph 13 – Choice of Law / Venue

13.1 Article 9 of the Main Agreement (Arbitration) shall be deleted in its entirety. Any dispute arising under or in connection with this Agreement, including any action in tort, shall be governed by the laws of Czech Republic.

13.2. Legal venue shall be Prague.

Paragraph 14 - Duration and Termination

14.1 Notwithstanding the provisions of Sub-Article 11.4 and 11.5 of the Main Agreement, the term of this contract shall be for a period of 4 years commencing 01st August 2014, through 31st July 2018.

14.1 Notwithstanding Sub-Paragraph 11.2. of this Annex B, if in the opinion of the Carrier the Handling Company fails to provide a consistently satisfactory level of service, the Carrier reserves the right to provide the Handling Company with written notice to the effect that correction is required within 30 (thirty) days. If the Handling Company fails to correct the situation within 30 (thirty) days, the Carrier may terminate the Agreement upon an additional 30 (thirty) days prior written notice.





14.2 Notwithstanding Sub-Paragraph 11.2. of this Annex B, if for reasons of corporate policy, the Carrier is required to obtain its handling services which are subject of this Agreement, from one of its alliance partners or affiliated companies, the Carrier may terminate this Agreement without any further obligation giving 60 (sixty) days prior written notice to the Handling Company.

14.3 Change of control

"Change of control" means, that the direct or beneficial majority of ownership of the voting stock of the Handling Company has been acquired or has become held by a legal entity that is not a party to this Agreement.

Notwithstanding Sub-Paragraph 11.2. of this Annex B, the Carrier reserves the right to terminate this agreement immediately on notice of 90 days if there is a change of control of the Handling Company.

The Handling Company shall give the Carrier immediate notice of any event that would give the Carrier the right to terminate this agreement

Paragraph 15 – Provision of service & charges

15.1 The terms, charges and conditions in this Annex also apply for any of AG's subsidiaries affiliated companies if it is to their consent and request including

Paragraph 16 - Sustainability and Environmental Requirements

The Carrier's goal is to incorporate best international practice to reduce environmental impact with regard to sustainability, avoidance of environmental pollution, minimize energy use over the entire lifecycle, water, wastewater management and solid waste management.

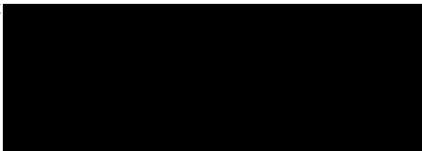
Therefore the Carrier is committed to purchasing sustainable products, works and services wherever possible. The Carrier will give appropriate weighting to sustainable products, works and services in the purchasing process.

16.1 The Handling Company will perform the services in a manner that gives appropriate regard to the protection of the natural environment. The Handling Company will comply with all environmentally related legislation and codes of practices relating to the products and services being offered in Czech Republic.

16.2 Unless otherwise agreed with the Carrier, insofar as any services supplied under the Contract comprise or include electrical or fuel/diesel powered equipment* as per the Airport Regulations, the Handling Company and its employees are committed to operate and manage the said equipment and associated consumables with appropriate considerations to: reduced levels of toxicity, end of life disposal, efficiencies and reducing environmental impact during services.

16.3 The Handling Company will support and ensure any opportunities for improvement in the environmental performance, identified by the Handling Company's employees or subcontractors. This includes the training of staff in the environmental impact of their work and the environmental/sustainable policy of the Carrier/Airport in/on whose premises they will be working.





16.4 The Handling Company has to provide details of any eco-label license or similar initiatives to the Carrier.

Paragraph 17 - Confidentiality

17.1 In accordance with Sub-Article 2.2 of the Main Agreement, the Parties shall consider all information obtained in connection with the contractual relationship to be confidential. Without written approval of the other Party, each Party does not disclose the information supplied by the other Party or acquired by either Party direct or indirect from the other. A written approval is not necessary if [REDACTED] wants to give information to companies affiliated with [REDACTED]

Signed the 1/8/2014

Signed the - 1 -08- 2014

at Prague



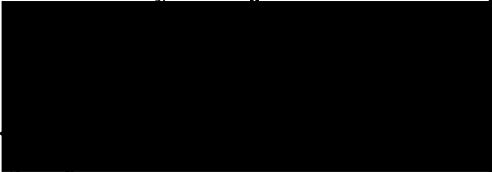
for and on behalf of

for and on behalf of

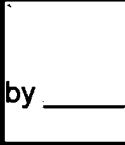
Czech Airlines Handling a.s.



by

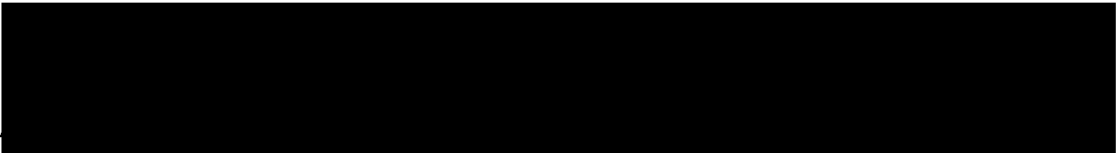


by



Jiří Jarkovský
Vice Chairman of the Board of Directors

By

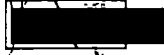


Michal Soukup
Member of the Board of Directors



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